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SENATE BILL 5257

State of Washington 62nd Legislature 2011 Regular Session

By Senators Kline, Honeyford, and Schoesler

Read first time 01/19/11. Referred to Committee on Labor, Commerce & Consumer Protection.

- AN ACT Relating to craft wine and wineries; and adding a new
- 2 chapter to Title 66 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** APPLICATION OF CHAPTER. The provisions of
- 5 this chapter apply only to craft wineries, as defined in section 2 of
- 6 this act, that are currently registered as such with the board, which
- 7 must register applicants that elect in writing to be so classified.
- 8 <u>NEW SECTION.</u> **Sec. 2.** DEFINITIONS. (1) The following definitions
- 9 apply throughout this chapter unless the context clearly requires
- 10 otherwise.
- 11 (a) "Craft wine" means the product fermented at a craft winery and
- 12 regulated as wine by the federal tax and trade bureau under Title 27
- 13 C.F.R.
- 14 (b) "Craft winery" means the holder of a domestic winery license or
- 15 certificate of approval and of a federal basic permit as a bonded
- 16 winery or bonded wine cellar that did not produce more than twenty-five
- 17 thousand gallons of wine in the most recent year for which it reported
- 18 production under Title 27 C.F.R.

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- 1 (2) Notwithstanding any other provision of this title, wine 2 fermented at a craft winery, except as otherwise expressly provided in 3 this chapter, is not "wine" or "liquor" for the purposes of any other 4 chapter of this title.
- NEW SECTION. Sec. 3. CRAFT WINERY LICENSE--QUALIFICATIONS AND REQUIREMENTS--FEE. (1) There shall be a license to be issued to any craft winery; the fee for such license may not be greater than the existing fee provided in RCW 66.24.170(1) for domestic wineries.
 - (2) A craft winery licensed under this section may do all things necessary or convenient for the manufacture, distribution, and sale of craft wine that are not expressly forbidden to craft wineries under this chapter or contrary to law other than the provisions of this title, including without limitation sale of craft wine at wholesale and retail to any purchaser entitled to purchase craft wine or wine.
- 15 (3) Craft wine is deemed wine for the purposes of RCW 66.12.020, 66.12.180, 66.20.300, 66.20.310, 66.20.320, 66.20.330, 66.20.340, 66.20.350, 66.24.185, 66.24.210, 66.24.215, and 66.28.110 and chapters 66.16, 66.32, 66.36, and 66.44 RCW.
- 19 (4) Holders of licenses or permits to deal in wine pursuant to 20 other chapters of this title may deal in craft wine in the same manner 21 as wine, including without limitation exercise of retail license 22 privileges, importer license privileges, wine distributor license 23 privileges, and conduct of retail and wholesale licensed businesses.
- NEW SECTION. Sec. 4. TRADE CREDIT. Craft wineries may not extend credit on the purchase of craft wine by Washington retail licensees.
- NEW SECTION. Sec. 5. REPORTING. A registered craft winery must make reports to the board at intervals provided by the board pursuant to the regulations.
- NEW SECTION. Sec. 6. Sections 1 through 5 of this act constitute a new chapter in Title 66 RCW.

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