

SENATE BILL REPORT

HB 1179

As Reported by Senate Committee On:
Commerce & Labor, March 25, 2015

Title: An act relating to exempting cider makers from the wine commission assessment.

Brief Description: Exempting cider makers from the wine commission assessment.

Sponsors: Representatives Lytton, Buys, S. Hunt, Wilcox, Blake, Appleton, Morris, G. Hunt, Short, Walkinshaw, Tarleton, Fitzgibbon, Gregerson, Van Werven, Tharinger, Sells, Muri and MacEwen.

Brief History: Passed House: 3/03/15, 97-0.

Committee Activity: Commerce & Labor: 3/20/15, 3/25/15 [DP].

SENATE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass.

Signed by Senators Baumgartner, Chair; Braun, Vice Chair; Hasegawa, Ranking Minority Member; Conway, Keiser, King and Warnick.

Staff: Richard Rodger (786-7461)

Background: The Washington Wine Commission (commission) was created in 1987 to represent both the producers of wine and the growers of vinifera wine grapes. The commission undertakes research, promotional, and educational activities to help its industry. The commission is funded through a liter tax on the sales of wine and cider and through a commodity assessment on wine producers and growers.

Cider is a table wine with at least 0.5 percent and up to 7 percent alcohol by volume, and is made from fermenting the juice of apples or pears.

Summary of Bill: Legislative findings state that the commission's efforts are, by definition, focused on vinifera wine grape growers and producers. The Legislature finds that the cider industry requires its own unique marketing efforts and the industry can support their own efforts with the elimination of the current commodity assessments on cider.

The commodity assessments levied on wine producers and growers of vinifera wine grapes do not apply to the production of cider after July 1, 2015.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill takes effect on July 1, 2015.

Staff Summary of Public Testimony: PRO: This bill will help the small, but growing, industry of producing cider. The commodity assessment currently in place on wine growers and producers also applies to cider. The Wine Commission does not provide marketing efforts on the cider side of the industry. Cider is often sold in kegs and cans and is more aligned with the beer industry. By removing this assessment, the cider makers will be able to pool their resources to more effectively market the cider products. The commission is okay with this bill.

Persons Testifying: PRO: Mark Kornei, Schilling Cider, Co-founder; Marcus Robert, Tieton Cider Works, Owner.

Persons Signed in to Testify But Not Testifying: No one.