HOUSE BILL 1179

State of Washington 64th Legislature 2015 Regular Session

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

Read first time 01/14/15. Referred to Committee on Agriculture & Natural Resources.

- 1 AN ACT Relating to exempting cider makers from the wine
- 2 commission assessment; amending RCW 66.24.215; creating a new
- 3 section; providing an effective date; and declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- $\underline{\text{NEW SECTION.}}$ Sec. 1. The legislature finds that the commodity
- 6 assessment authorized in RCW 66.24.215 is applied to makers of cider
- 7 as defined in RCW 66.24.210 but by definition is focused on the
- 8 marketing and support of vinifera wine grape growers and vinifera
- 9 wine producers. The rapid growth and strong market potential of the
- 10 Washington cider industry require marketing efforts that are focused
- 11 on cider products as a unique beverage category. The legislature
- 12 intends to allow cider makers to support their own marketing efforts,
- 13 which will benefit the cider industry by exempting them from an
- 14 assessment that primarily supports vinifera wine.
- 15 **Sec. 2.** RCW 66.24.215 and 1988 c 257 s 7 are each amended to
- 16 read as follows:
- 17 (1) To provide for permanent funding of the wine commission after
- 18 July 1, 1989, agricultural commodity assessments ((shall)) must be
- 19 levied by the board on wine producers and growers as follows:

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1 (a) Beginning on July 1, 1989, the assessment on wine producers 2 ((shall be)) is two cents per gallon on sales of packaged Washington wines.

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- (b) Beginning on July 1, 1989, the assessment on growers of Washington vinifera wine grapes ((shall be)) is levied as provided in RCW 15.88.130.
- (c) After July 1, 1993, assessment rates under subsection (1)(a) of this section may be changed pursuant to a referendum conducted by the Washington wine commission and approved by a majority vote of wine producers. The weight of each producer's vote ((shall)) must be equal to the percentage of that producer's share of Washington vinifera wine production in the prior year.
- (d) After July 1, 1993, assessment amounts under subsection (1)(b) of this section may be changed pursuant to a referendum conducted by the Washington wine commission and approved by a majority vote of grape growers. The weight of each grower's vote ((shall)) must be equal to the percentage of that grower's share of Washington vinifera grape sales in the prior year.
- (e) After July 1, 2015, the assessment amounts under this section may not be levied on the production of cider as defined in RCW 66.24.210.
 - (2) Assessments collected under this section ((shall)) <u>must</u> be disbursed quarterly to the Washington wine commission for use in carrying out the purposes of chapter 15.88 RCW.
 - (3) Prior to July 1, 1996, a referendum ((shall)) must be conducted to determine whether to continue the Washington wine commission as representing both wine producers and grape growers. The voting ((shall)) may not be weighted. The wine producers ((shall)) must vote whether to continue the commission's coverage of wineries and wine production. The grape producers ((shall)) must vote whether to continue the commission's coverage of issues pertaining to grape growing. If a majority of both wine and grape producers favor the continuation of the commission, the assessments ((shall)) must continue as provided in subsection (2)(b) and (d) of this section. If only one group of producers favors the continuation, the assessments ((shall)) may only be levied on the group which favored the continuation.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of

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- 1 the state government and its existing public institutions, and takes
- 2 effect July 1, 2015.

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