

# HOUSE BILL REPORT

## HB 3001

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**As Reported By House Committee On:**  
Commerce & Labor

**Title:** An act relating to the furnishing of wine by wineries to nonprofit charitable organizations.

**Brief Description:** Creating an exemption for wineries furnishing wine to nonprofit charitable organizations.

**Sponsors:** Representatives Honeyford, Delvin, Lisk and Cole.

**Brief History:**

**Committee Activity:**

Commerce & Labor: 2/2/98 [DPS].

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives McMorris, Chairman; Honeyford, Vice Chairman; Conway, Ranking Minority Member; Wood, Assistant Ranking Minority Member; Boldt; Clements; Cole; Hatfield and Lisk.

**Staff:** Pam Madson (786-7166).

**Background:** Liquor manufacturers and distributors may not give liquor to any person except as allowed by law.

Exceptions are provided for specific purposes such as allowing a manufacturer to negotiate a sale to the Liquor Control Board or a retail licensee. Other exceptions require that the liquor be consumed in a designated place to a limited group of people such as an educational presentation to an organization formed for the purpose of studying wine and wine making. Breweries and wineries may furnish beer or wine free of charge at the brewery or winery. There are a limited number of occasions when liquor may be furnished or donated for a specific event to a specific audience such as delegates to an international trade fair conducted by a governmental entity.

**Summary of Substitute Bill:** A domestic winery may furnish wine without charge to nonprofit charitable organizations for use consistent with the purpose of the organization.

Consistent with other exceptions for donating wine, the wine is subject to state liquor taxes.

**Substitute Bill Compared to Original Bill:** Language clarifies that domestic wineries are granted this authority and that any wine donated remains subject to state liquor taxes.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** (Hearing occurred on a similar bill HB 2786) Wineries would like the opportunity to participate with community philanthropic organizations by donating their products for the benefit of the organizations. An organization may wish to use the wine products as an auction item for an organization's fund raising effort or to serve the wine at a dinner honoring the organization's volunteers.

**Testimony Against:** (Hearing occurred on a similar bill HB 2786) None.

**Testified:** (In support) Victoria Chiechi Hinze, Washington Wine Institute; and Dick Ducharme, Washington Beer and Wine Wholesalers Association.