

HB 1361 - S AMD TO AG COMM AMD (S-2853.2/03) 356
By Senators Swecker, Rasmussen

ADOPTED 04/17/2003

1 On page 19, after line 31 of the amendment, insert the following:

2 "Sec. 38. RCW 15.88.030 and 1997 c 321 s 40 are each amended to
3 read as follows:

4 (1) There is created an agricultural commodity commission to be
5 known and designated as the Washington wine commission. (~~Except as~~
6 ~~provided in RCW 15.88.100(2),~~) The commission shall be composed of
7 ~~((eleven))~~ twelve voting members and one nonvoting member; five voting
8 members shall be growers, five voting members shall be wine producers,
9 one voting member shall be the director, and one voting member shall be
10 a wine distributor licensed under RCW 66.24.200. Of the grower
11 members, at least one shall be a person who does not have over fifty
12 acres of vinifera grapes in production, at least one shall be a person
13 who has over one hundred acres of vinifera grapes in production, and
14 two may be persons who produce and sell their own wine. Of the wine
15 producer members, at least one shall be a person producing not more
16 than twenty-five thousand gallons of wine annually, at least one shall
17 be a person producing over one million gallons of wine annually, and at
18 least two shall be persons who produce wine from their own grapes. In
19 addition, at least one member shall be a wine producer located in
20 western Washington and at least two members shall be wine producers
21 located in eastern Washington.

22 (2) (~~In addition to the voting members identified in subsection~~
23 ~~(1) of this section,~~) The commission shall have one nonvoting member
24 who is a wine producer in this state whose principal wine or wines are
25 produced from fruit other than vinifera grapes. (~~The director of~~
26 ~~agriculture, or the director's designee, shall serve as an ex officio,~~
27 ~~nonvoting member.~~)

28 (3) (~~Except as provided in RCW 15.88.100(2),~~) Seven voting
29 members of the commission constitute a quorum for the transaction of
30 any business of the commission.

1 (4) Each voting member of the commission shall be a citizen and
2 resident of this state and over the age of twenty-one years. Each
3 voting member, except the member holding position eleven, must be or
4 must have been engaged in that phase of the grower or wine producer
5 industry that he or she is appointed to represent, and must during his
6 or her term of office derive a substantial portion of income therefrom,
7 or have a substantial investment in the growing of vinifera grapes or
8 the production of wine from vinifera grapes as an owner, lessee,
9 partner, or a stockholder owning at least ten percent of the voting
10 stock in a corporation engaged in the growing of vinifera grapes or
11 wine production from vinifera grapes; or the manager or executive
12 officer of such a corporation. These qualifications apply throughout
13 each member's term of office. This subsection does not apply to the
14 director.

15 **Sec. 39.** RCW 15.88.040 and 1988 c 254 s 13 are each amended to
16 read as follows:

17 The (~~appointive~~) appointed voting positions on the commission
18 shall be designated as follows: The wine producers shall be designated
19 positions one, two, three, four, and five; the growers shall be
20 designated positions six, seven, eight, nine, and ten; (~~and~~) the wine
21 wholesaler shall be position eleven; and the director shall be position
22 number thirteen. The nonvoting industry member shall be designated
23 position number twelve. The member designated as filling position one
24 shall be a person producing over one million gallons of wine annually.
25 The member designated as position one shall be the sole representative,
26 directly or indirectly, of the producer eligible to hold position one
27 and in no event shall that producer directly or indirectly control more
28 than fifty percent of the votes of the commission.

29 Except (~~as provided in RCW 15.88.100(2)~~) for position thirteen,
30 the regular terms of office shall be three years from the date of
31 appointment and until their successors are appointed. However, the
32 first terms of the members appointed upon July 1, 1987, shall be as
33 follows: Positions one, six, and eleven shall terminate July 1, 1990;
34 positions two, four, seven, and nine shall terminate July 1, 1989; and
35 positions three, five, eight, and ten shall terminate July 1, 1988.

1 The term of the initial nonvoting industry member shall terminate July
2 1, 1990.

3 **Sec. 40.** RCW 15.88.050 and 2002 c 313 s 111 are each amended to
4 read as follows:

5 (1) The director shall appoint the members of the commission. In
6 making such appointments (~~(of the voting members)~~), the director shall
7 take into consideration recommendations made by the growers'
8 association and the wine institute as the persons recommended for
9 appointment as members of the commission. In appointing persons to the
10 commission, the director shall seek to ensure as nearly as possible a
11 balanced representation on the commission which would reflect the
12 composition of the growers and wine producers throughout the state as
13 to number of acres cultivated and amount of wine produced.

14 (2) The appointment shall be carried out immediately subsequent to
15 July 1, 1987, and members so appointed as set forth in this chapter
16 shall serve for the periods set forth for the original members of the
17 commission under RCW 15.88.040.

18 (3) In the event a position on the commission becomes vacant due to
19 resignation, disqualification, death, or for any other reason, the
20 unexpired term of the position shall immediately be filled by
21 appointment by the director.

22 (4) Each member or employee of the commission shall be reimbursed
23 for actual travel expenses incurred in carrying out the provisions of
24 this chapter as defined by the commission in rule. Otherwise if not
25 defined in rule, reimbursement for travel expenses shall be at the
26 rates allowed by RCW 43.03.050 and 43.03.060.

27 **Sec. 41.** RCW 15.88.100 and 1988 c 254 s 14 are each amended to
28 read as follows:

29 (1) Except as provided in subsection(~~(s)~~) (2) (~~(and (3))~~) of this
30 section, the vote of each of the voting members of the commission shall
31 be weighted as provided by this subsection for the transaction of any
32 of the business of the commission. The total voting strength of the
33 entire voting membership of the commission shall be (~~(eleven)~~) twelve
34 votes. The vote of position one shall be equal to the lesser of the
35 following: (~~(Five)~~) Six and one-half votes; or eleven votes times the

1 percentage of the wine produced in the state that is produced by the
2 person filling position one. The percentage shall be based upon the
3 amount of wine produced in the previous calendar year and shall be
4 rounded to the nearest ten percent. The remaining votes of the
5 membership of the commission shall be divided equally among the
6 remaining members of the commission.

7 ~~(2) ((In the event the assessment described in RCW 66.24.215(1)(b)~~
8 ~~is not effective on July 1, 1989, the positions designated for growers~~
9 ~~cease to exist. In such an event, the commission shall be composed of~~
10 ~~six voting members and two nonvoting members. The nonvoting industry~~
11 ~~member shall be position seven. Four voting members of the commission~~
12 ~~constitute a quorum for the modified commission. Of the six votes of~~
13 ~~the entire voting membership of the modified commission, the vote of~~
14 ~~position one shall be the lesser of the following: Three votes; or six~~
15 ~~votes times the percentage of the wine produced in the state that is~~
16 ~~produced by the person filling position one. The percentage shall be~~
17 ~~based upon the amount of wine produced in the previous calendar year~~
18 ~~and shall be rounded to the nearest ten percent. The remaining votes~~
19 ~~of the membership of the commission shall be divided equally among the~~
20 ~~remaining members of the commission.~~

21 ~~(3))~~ In the event that the percentage of wine produced by the
22 producer represented by position one falls below twenty-five percent of
23 the wine produced in this state, the weighted voting mechanism provided
24 for in subsection((s)) (1) ~~((and (2))~~ of this section shall cease to
25 be effective. In that case, the voting shall be based on one vote per
26 position.

27 NEW SECTION. Sec. 42. A new section is added to chapter 15.88 RCW
28 to read as follows:

29 (1) The commission shall develop and submit to the director for
30 approval any plans, programs, and projects concerning the following:

31 (a) The establishment, issuance, effectuation, and administration
32 of appropriate programs or projects for the advertising, promotion, and
33 education of the affected commodities; and

34 (b) The establishment and effectuation of market research projects,
35 market development projects, or both to the end that the marketing and

1 utilization of the affected commodities may be encouraged, expanded,
2 improved, or made more efficient.

3 (2) The director shall review the commission's advertising or
4 promotion program to ensure that no false claims are being made
5 concerning the affected commodities.

6 (3) The commission, prior to the beginning of its fiscal year,
7 shall prepare and submit to the director for approval its research
8 plan, its commodity-related education and training plan, and its budget
9 on a fiscal period basis.

10 (4) The director shall strive to review and make a determination of
11 all submissions described in this section in a timely manner.

12 NEW SECTION. **Sec. 43.** A new section is added to chapter 15.88 RCW
13 to read as follows:

14 The commission exists primarily for the benefit of the people of
15 the state of Washington and its economy. The legislature hereby
16 charges the commission, with oversight by the director, to speak on
17 behalf of the Washington state government with regard to wine grapes
18 and wine.

19 **Sec. 44.** RCW 15.88.180 and 2002 c 313 s 76 are each amended to
20 read as follows:

21 (1) The director may provide by rule for a method to fund staff
22 support for all commodity boards or commissions in accordance with RCW
23 43.23.033 if a position is not directly funded by the legislature and
24 costs related to the specific activity undertaken on behalf of an
25 individual commodity board or commission. The commission shall provide
26 funds to the department according to the rules adopted by the director.

27 (2) The costs incurred by the department associated with the
28 implementation of section 42 of this act shall be paid for by the
29 commission."

30 Renumber the remaining section consecutively.

ADOPTED 04/17/2003

1 On page 20, line 8 of the title amendment, strike "and 16.67.040"
2 and insert "16.67.040, 15.88.030, 15.88.040, 15.88.050, 15.88.100, and
3 15.88.180"

4 On page 20, line 11 of the title amendment, after "16.67 RCW;"
5 insert "adding new sections to chapter 15.88 RCW;"

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