# Washington State House of Representatives Office of Program Research

## BILL ANALYSIS

## **Agriculture & Natural Resources Committee**

## **HB** 1179

**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 Summary of Bill**

• Excludes the production of cider from the commodity assessment that applies to vinifera wine grape growers and producers, which funds the advertising of Washington wines through the Washington Wine Commission.

Hearing Date: 1/28/15

Staff: Peter Clodfelter (786-7127).

#### Background:

The Liquor Control Board (Board) levies agricultural commodity assessments on wine producers and growers of Washington vinifera wine grapes in order to permanently fund the Washington Wine Commission, which is an agricultural commodity commission. On producers, the annual assessment is 2 cents per gallon on sales of packaged Washington wines. On growers, the annual assessment is \$3 per ton of vinifera grapes. Those assessment rates may be changed pursuant to a referendum conducted by the Washington Wine Commission that is approved by a majority vote of wine producers or wine growers, whichever group's assessment rate is affected by the referendum. The Board is required to disburse assessments quarterly to the Washington Wine Commission, which uses the money to market Washington wine and enhance the production of wine grapes and wine.

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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.

Cider is table wine that contains not less than .5 percent of alcohol by volume and not more than 7 percent of alcohol by volume [RCW 66.24.210]. Cider is made from the normal alcoholic fermentation of the juice of sound, ripe apples or pears. Cider includes flavored, sparkling, or carbonated cider and cider made from condensed apple or pear must. Currently, the Board levies the annual commodity assessment on makers of cider just as it does on makers of wine.

### **Summary of Bill**:

After July 1, 2015, the commodity assessment that applies to vinifera wine grape growers and vinifera wine produces, which is imposed to fund the Washington Wine Commission, no longer applies to the production of cider.

**Appropriation**: None.

Fiscal Note: Available.

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