SUBSTITUTE HOUSE BILL 1176

State of Washington 65th Legislature 2017 Regular Session

By House Commerce & Gaming (originally sponsored by Representative Muri)

READ FIRST TIME 02/16/17.

- 1 AN ACT Relating to the alcoholic beverage mead; and amending RCW
- 2 66.24.215 and 66.28.360.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 66.24.215 and 2015 c 76 s 2 are each amended to read 5 as follows:
- (1) To provide for permanent funding of the wine commission after July 1, 1989, agricultural commodity assessments must be levied by the board on wine producers and growers as follows:
- 9 (a) Beginning on July 1, 1989, the assessment on wine producers 10 is two cents per gallon on sales of packaged Washington wines.
- 11 (b) Beginning on July 1, 1989, the assessment on growers of 12 Washington vinifera wine grapes is levied as provided in RCW 13 15.88.130.
- (c) After July 1, 1993, assessment rates under (a) of this 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 must be equal to the percentage of that producer's share of Washington vinifera wine production in the prior year.
- 20 (d) After July 1, 1993, assessment amounts under (b) of this 21 subsection $((\frac{1}{b}))$ of this section) may be changed pursuant to a

p. 1 SHB 1176

- 1 referendum conducted by the Washington wine commission and approved 2 by a majority vote of grape growers. The weight of each grower's vote must be equal to the percentage of that grower's share of Washington 3 4 vinifera grape sales in the prior year.
- (e) After July 1, 2015, the assessment amounts under this section 5 6 may not be levied on the production of cider as defined in RCW 7 66.24.210.
 - (f) After January 1, 2018, the assessment amounts under this section may not be levied on the production of mead. For purposes of this section, "mead" means a wine or malt beverage of which honey represents the largest percentage of the starting fermentable sugars by weight of the finished product and that:
- (i) Is derived from a mixture of honey and water, which may 13 contain hops, fruit, spices, grain, and other agricultural products 14 or flavors; and 15
 - (ii) Is sold or offered for sale as mead.

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- (2) Assessments collected under this section must be disbursed quarterly to the Washington wine commission for use in carrying out 18 the purposes of chapter 15.88 RCW. 19
 - (3) Prior to July 1, 1996, a referendum must be conducted to determine whether to continue the Washington wine commission as representing both wine producers and grape growers. The voting may not be weighted. The wine producers must vote whether to continue the commission's coverage of wineries and wine production. The grape producers 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 must continue as provided in subsection $((\frac{2}{(2)}))$ (1) and (d) of this section. If only one group of producers favors the continuation, the assessments may only be levied on the group which favored the continuation.
 - **Sec. 2.** RCW 66.28.360 and 2014 c 54 s 1 are each amended to read as follows:
 - (1) Licensees holding either a license that permits or a license with an endorsement that permits the sale of beer to a purchaser in a container supplied by the licensee or a sanitary container brought to the premises by the purchaser and filled at the tap at the time of sale may similarly sell cider and mead to a purchaser in such a

p. 2 SHB 1176 container, subject to subsection (2) of this section. Nothing in this section relieves a licensee from complying with federal law.

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- (2) Any mead sold pursuant to this section must have an alcohol content equal to or less than fourteen percent alcohol by volume.
- 5 (3) For purposes of this section, "cider" has the same meaning as in RCW 66.24.210(6) and "mead" has the same meaning as in RCW 66.24.215.

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p. 3 SHB 1176