

# HOUSE BILL REPORT

## SSB 5678

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As Passed House  
April 8, 1993

**Title:** An act relating to exempting domestic wineries from chapter 20.01 RCW.

**Brief Description:** Exempting licensed domestic wineries from commission merchant requirements.

**Sponsors:** Senate Committee on Agriculture (originally sponsored by Senators Loveland, Newhouse, Deccio and Winsley).

**Brief History:**

Reported by House Committee on:  
Agriculture & Rural Development, March 25, 1993, DP;  
Passed House, April 8, 1993, 98-0.

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### HOUSE COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT

**Majority Report:** Do pass. Signed by 10 members:  
Representatives Rayburn, Chair; Kremen, Vice Chair;  
Chandler, Ranking Minority Member; Schoesler, Assistant  
Ranking Minority Member; Chappell; Foreman; Grant;  
Karahalios; Lisk; and Roland.

**Staff:** Kenneth Hirst (786-7105).

**Background:** The state's commission merchant laws regulate the activities of persons who sell agricultural products on consignment or commission, accept agricultural products in trust for sale, negotiate the sale of agricultural products, or deal in agricultural products for resale or processing. Such persons are required to be licensed and bonded. However, a number of entities have been exempted from these requirements. Among those exempted are: a cooperative marketing association dealing in the commodities of its members, a licensed nursery operator with respect to his or her operations as a licensee, and horse racing facilities with respect to operations regulated under state laws for horse racing.

**Summary of Bill:** The transactions of a domestic winery licensed under the state's liquor control laws, involving agricultural products used in making wine, are exempted from regulation under the commission merchant laws.

**Fiscal Note:** Not requested.

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

**Testimony For:** The state's processor lien provides grape producers adequate protection. This bill eliminates an unnecessary license and bond.

**Testimony Against:** None.

**Witnesses:** (In favor) Senator Loveland; and Vicki Chiechi, Washington Wine Institute and Grape Growers Association.