

**SENATE BILL REPORT**

**SB 5219**

**AS REPORTED BY COMMITTEE ON WAYS & MEANS, FEBRUARY 22, 1993**

**Brief Description:** Modifying provisions regarding the Washington wine commission.

**SPONSORS:** Senators M. Rasmussen, Newhouse and Barr

**SENATE COMMITTEE ON AGRICULTURE**

**Majority Report:** Do pass.

Signed by Senators Rasmussen, M., Chairman; Loveland, Vice Chairman; Anderson, Barr, Bauer, Newhouse, and Snyder.

**Staff:** Katie Healy (786-7784)

**Hearing Dates:** January 25, 1993

**SENATE COMMITTEE ON WAYS & MEANS**

**Majority Report:** That Substitute Senate Bill No. 5219 be substituted therefor, and the substitute bill do pass.

Signed by Senators Spanel, Vice Chairman; Bluechel, Cantu, Hargrove, Hochstatter, McDonald, Moyer, Owen, Pelz, Quigley, Roach, Snyder, Sutherland, West, and Wojahn.

**Staff:** Terry Wilson (786-7715)

**Hearing Dates:** February 10, 1993; February 22, 1993

**BACKGROUND:**

The Washington Wine Commission is permitted to purchase or receive donations of Washington wine from wineries. These wines may be used for promotional purposes.

A tax is imposed on wines sold after June 30, 1987 within the state to wine wholesalers and the Washington State Liquor Board. The tax is one-fourth of one cent per liter. The revenues collected are disbursed every quarter to the Washington Wine Commission to enhance the production of wine grapes and wine and the marketing of Washington wine. Such tax will cease to be imposed on July 1, 1993.

**SUMMARY:**

The Washington Wine Commission may purchase or receive wine from wineries. The wines received or purchased no longer are limited to Washington wine.

The tax imposed on wines sold after June 30, 1987 will cease on July 1, 2001, an extension of eight years.

**EFFECT OF PROPOSED SUBSTITUTE:**

An emergency clause is added with an effective date of July 1, 1993.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested January 22, 1993

**TESTIMONY FOR (Agriculture):**

By allowing the Washington Wine Commission to compare all wines against Washington wines, promotion of Washington wines will improve. This change will also eliminate a great deal of paperwork. Continuing the tax gives the industry more time and money to work on promotion of Washington wines.

**TESTIMONY AGAINST (Agriculture):** None

**TESTIFIED (Agriculture):** Victoria Chiechi, Washington Wine Institute

**TESTIMONY FOR (Ways & Means):**

The Washington Wine Commission's activities have benefited Washington wineries. The goal is for Washington wines to compete with other wines on a national basis. The commission promotes Washington as an authentic wine-producing region and provides information about Washington wines.

**TESTIMONY AGAINST (Ways & Means):** None

**TESTIFIED (Ways & Means):** Simon Siegl, Washington Wine Commission, (pro); Dr. Wade Wolfe, Hogue Cellars; Thurston Wolfe (pro)