

FINAL BILL REPORT

SSB 5678

C 104 L 93

SYNOPSIS AS ENACTED

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

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

SENATE COMMITTEE ON AGRICULTURE

HOUSE COMMITTEE ON AGRICULTURE & RURAL DEVELOPMENT

BACKGROUND:

Domestic wineries that purchase wine grapes from growers are required to be licensed and bonded with the Department of Agriculture under the Commission Merchants Act. The Commission Merchants Act was enacted in 1959 to provide an increased degree of assurance that farmers would be paid by buyers or persons arranging the sale of specified agricultural products.

During the 1980's, the processor lien statutes were enacted to also provide an increase in the degree of protection that farmers are paid for crops delivered to processors. The processor lien statute established a first priority statutory lien on specified agricultural commodities, including viticultural products, which continues until 20 days after payment for product is due and remains unpaid.

SUMMARY:

A domestic winery that purchases agricultural commodities solely for its own needs is exempt from regulation under the commission merchants laws.

VOTES ON FINAL PASSAGE:

Senate	48	0
House	98	0

EFFECTIVE: July 25, 1993