

**SENATE BILL REPORT**

**SB 6197**

**AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, JANUARY 28, 1994**

**Brief Description:** Modifying provisions regarding shipping wine.

**SPONSORS:** Senators McAuliffe, Newhouse, Prentice, Loveland, Amondson, Moore, M. Rasmussen and Ludwig

**SENATE COMMITTEE ON LABOR & COMMERCE**

**Majority Report:** That Substitute Senate Bill No. 6197 be substituted therefor, and the substitute bill do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Amondson, Deccio, Fraser, McAuliffe, Newhouse, Pelz, Prince, Sellar, Sutherland, Vognild and Wojahn.

**Staff:** Patrick Woods (786-7430)

**Hearing Dates:** January 24, 1994; January 28, 1994

**BACKGROUND:**

State law authorizes the delivery of wine from out-of-state licensed wineries directly to residents of this state if the laws of the other state grant Washington wineries reciprocal authority.

Such an out-of-state winery may ship for personal use and not for resale not more than two cases of wine of its own manufacture per year to any state resident 21 years of age or older. However, the out-of-state winery must first obtain a license from this state's Liquor Control Board before shipping wine into Washington. Delivery of such shipment does not constitute a sale under the state's liquor control laws.

Each case can contain no more than nine liters. The shipping container must be clearly labeled to indicate that the package cannot be delivered to a person under 21 years of age or to an intoxicated person.

Pickup, delivery, or acceptance of any container of wine that is shipped into this state from a person who is not licensed as required is subject to the imposition of civil penalties on offending parties including delivery services. The state's liquor control laws prescribe penalties for any violation of the liquor laws for which penalties specific to the violation are not otherwise identified. If an out-of-state person is licensed to make these reciprocal shipments but advertises or solicits consumers within this state to engage in such reciprocal shipments, the person's license is to be revoked.

**SUMMARY:**

Individuals and liquor licensees in a state that affords Washington licensees or individuals reciprocal authority may deliver wine for personal use to Washington consumers. The wine need not be of the person's own manufacture. A liquor control license for this activity is no longer required. The out-of-state shipper is prohibited from advertising for or soliciting consumers to engage in these shipments.

Other aspects of the process, including the two-case quantity limits and shipping label requirements, remain unchanged.

Specific references to a civil penalty for violations are repealed.

**EFFECT OF PROPOSED SUBSTITUTE:**

Existing provisions are deleted.

The pickup or delivery of wine is removed from the penalty provisions of the statute. As a result, delivery services are no longer subject to penalties for transporting wine into Washington from an unlicensed winery.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested

**TESTIMONY FOR:**

Statute modifications are required in order to allow Washington wineries to freely ship their products to other states.

**TESTIMONY AGAINST:** None

**TESTIFIED:** PRO: Simon Siegl, Washington Wine Institute; Rebecca Yeaman, Thurston Wolfe Winery; Tom Hedges, Hedges Cellars; Carter Mitchell, Liquor Control Board