

SENATE BILL REPORT

SB 5792

As Reported By Senate Committee On:
Labor, Commerce & Financial Institutions, February 22, 2001

Title: An act relating to modifying wine and cider provisions by removing a termination date.

Brief Description: Modifying wine and cider provisions.

Sponsors: Senators Prentice, Honeyford, Winsley, Rasmussen, Rossi, Hale, Constantine, B. Sheldon, Deccio, Hewitt and Gardner.

Brief History:

Committee Activity: Labor, Commerce & Financial Institutions: 2/19/01, 2/22/01 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

Majority Report: That Substitute Senate Bill No. 5792 be substituted therefor, and the substitute bill do pass.

Signed by Senators Prentice, Chair; Gardner, Vice Chair; Benton, Fairley, Franklin, Honeyford, Patterson, Rasmussen, Regala, West and Winsley.

Staff: Joanne Conrad (786-7472)

Background: Currently, there is a tax on wine products (.0025 per liter on wine and .0005 per liter on cider). The revenue from the tax goes to the Washington Wine Commission. The tax is due to be eliminated on July 1, 2001.

Summary of Substitute Bill: The additional tax on wine products is continued indefinitely.

Substitute Bill Compared to Original Bill: An emergency clause is added.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: The Wine Commission helps market Washington State products and helps family-operated grape growers.

Testimony Against: The tax was supposed to be temporary and the Wine Commission was supposed to be self-funding by now. It is unfair to tax out-of-state wineries.

Testified: Jean Leonard, Washington Wine Institute; Tim Hightower, Wine Commission; Eric Hurlburt, Department of Agriculture (pro); Sharon Foster, Wine Institute (con).