
SUBSTITUTE HOUSE BILL 3176

State of Washington 60th Legislature 2008 Regular Session

By House Commerce & Labor (originally sponsored by Representatives Kenney, Conway, Condotta, Grant, McIntire, Ericks, Blake, Walsh, Hankins, Haler, and Williams)

READ FIRST TIME 02/05/08.

1 AN ACT Relating to authorizing wine warehouses to handle bottled
2 wine; and amending RCW 66.24.185.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 66.24.185 and 1999 c 281 s 4 are each amended to read
5 as follows:

6 (1) There shall be a license for bonded wine warehouses which shall
7 authorize the storage and handling of bottled wine (~~(only)~~). Under
8 this license a licensee may maintain a warehouse for the storage of
9 wine off the premises of a winery.

10 (2) The board shall adopt similar qualifications for a bonded wine
11 warehouse license as required for obtaining a domestic winery license
12 as specified in RCW 66.24.010 and 66.24.170. A licensee must be a sole
13 proprietor, a partnership, a limited liability company, or a
14 corporation. One or more domestic wineries may operate as a
15 partnership, corporation, business co-op, or agricultural co-op for the
16 purposes of obtaining a bonded wine warehouse license.

17 (3) All bottled wine shipped to a bonded wine warehouse from a
18 winery or another bonded wine warehouse shall remain under bond and no
19 tax imposed under RCW 66.24.210 shall be due, unless the wine is

1 removed from bond and shipped to a licensed Washington wine
2 distributor. Wine may be removed from a bonded wine warehouse only for
3 the purpose of being (a) exported from the state, (b) shipped to a
4 licensed Washington wine distributor, ~~((or))~~ (c) returned to a winery
5 or bonded wine warehouse, or shipped to a consumer pursuant to RCW
6 66.20.360 through 66.20.390.

7 (4) Warehousing of wine by any person other than (a) a licensed
8 domestic winery or a bonded wine warehouse licensed under the
9 provisions of this section, (b) a licensed Washington wine distributor,
10 (c) a licensed Washington wine importer, (d) a wine certificate of
11 approval holder (W7), or (e) the liquor control board, is prohibited.

12 (5) A license applicant shall hold a federal permit for a bonded
13 wine cellar and may be required to post a continuing wine tax bond of
14 such an amount and in such a form as may be required by the board prior
15 to the issuance of a bonded wine warehouse license. The fee for this
16 license shall be one hundred dollars per annum.

17 (6) The board shall adopt rules requiring a bonded wine warehouse
18 to be physically secure, zoned for the intended use and physically
19 separated from any other use.

20 (7) Every licensee shall submit to the board a monthly report of
21 movement of bottled wines to and from a bonded wine warehouse in a form
22 prescribed by the board. The board may adopt other necessary
23 procedures by which bonded wine warehouses are licensed and regulated.

24 (8) Handling of bottled wine, as provided for in this section,
25 includes packaging and repackaging services; bottle labeling services;
26 creating baskets or variety packs that may or may not include nonwine
27 products; and picking, packing, and shipping wine orders direct to
28 consumer. A winery contracting with a bonded wine warehouse for
29 handling bottled wine shall comply with all applicable state and
30 federal laws and shall be responsible for financial transactions in
31 direct to consumer shipping activities.

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