

SENATE BILL REPORT

SHB 1812

As Reported by Senate Committee On:
Labor, Commerce & Consumer Protection, March 19, 2009

Title: An act relating to wine labels.

Brief Description: Concerning wine labels.

Sponsors: House Committee on Commerce & Labor (originally sponsored by Representatives Newhouse, Conway, Chandler, Moeller and Sullivan).

Brief History: Passed House: 3/04/09, 95-0.

Committee Activity: Labor, Commerce & Consumer Protection: 3/19/09 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Holmquist, Ranking Minority Member; Franklin, Honeyford, King and Kline.

Staff: Mac Nicholson (786-7445)

Background: State law requires wine labels to provide consumers with information regarding the identity and quality of the product, the alcoholic content, the net contents, and the name of the producer, manufacturer, or bottler. Under Liquor Control Board (LCB) rule, wine is entitled to an appellation of origin if at least 75 percent of its volume is derived from fruit grown in the place or region indicated by the appellation and the wine conforms to the requirements and laws of the place or region governing the composition, method of production, and designation of wine within that place or region.

The federal Alcohol and Tobacco Tax and Trade Bureau (TTB) designates American viticultural areas (AVAs) to allow vintners to better describe the origin of their wines and to allow consumers to better identify wines they may purchase. Washington has seven AVAs contained wholly within the state: Horse Heaven Hills, Puget Sound, Rattlesnake Hills, Red Mountain, Snipes Mountain, Yakima Valley, and Wahluke Slope. The TTB has also designated three AVAs that include territory within Washington and Oregon: Columbia Gorge, Columbia Valley, and Walla Walla Valley.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The TTB has adopted rules specifying when certain appellations of origin may be used on a wine label. To use a label with the name of a state or county, at least 75 percent of the wine must be derived from fruit or agricultural products grown in the state or county. To use an AVA label, at least 85 percent of the wine must be derived from fruit or agricultural products grown in the AVA.

Summary of Bill: In order to use "Washington" as an appellation of origin on a wine label, at least 95 percent of the grapes used must have been grown in Washington.

In order to use "Washington" and the name of an AVA wholly located within the state as an appellation of origin on a wine label, at least 95 percent of the grapes used must have been grown in Washington.

In order to use "Washington" and the name of an AVA located partially within Washington as an appellation of origin on a wine label, at least 95 percent of the grapes used must have been grown in the AVA or in Washington.

If a vineyard in any AVA, region, or other discrete area suffers material damage, destruction, disease, or other loss, the Director of the Department of Agriculture must notify the LCB who may then suspend the appellation of origin requirements with respect to the adversely affected area for a reasonable period of time.

Wines produced with the addition of wine spirits, brandy, or alcohol are not subject to the appellation of origin labeling provisions.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill creates a higher standard for wines that utilize the name "Washington." This bill will help promote the quality of Washington wine. Current federal standards regarding AVAs are not interfered with.

Persons Testifying: PRO: Jean Leonard, Washington Association of Wine Grape Growers.