

# HOUSE BILL REPORT

## SHB 3001

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### As Amended by the Senate

**Title:** An act relating to the furnishing of wine by wineries to nonprofit charitable organizations.

**Brief Description:** Creating an exemption for wineries furnishing wine to nonprofit charitable organizations.

**Sponsors:** By House Committee on Commerce/Lab (originally sponsored by Representatives Honeyford, Delvin, Lisk and Cole).

**Brief History:**

**Committee Activity:**

Commerce & Labor: 2/2/98 [DPS].

**Floor Activity:**

Passed House: 2/10/98, 94-2.

Senate Amended.

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### HOUSE COMMITTEE ON COMMERCE & LABOR

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives McMorris, Chairman; Honeyford, Vice Chairman; Conway, Ranking Minority Member; Wood, Assistant Ranking Minority Member; Boldt; Clements; Cole; Hatfield and Lisk.

**Staff:** Pam Madson (786-7166).

**Background:** Liquor manufacturers and distributors may not give liquor to any person except as allowed by law.

Exceptions are provided for specific purposes such as allowing a manufacturer to negotiate a sale to the Liquor Control Board or a retail licensee. Other exceptions require that the liquor be consumed in a designated place to a limited group of people such as an educational presentation to an organization formed for the purpose of studying wine and wine making. Breweries and wineries may furnish beer or wine free of charge at the brewery or winery. There are a limited number of occasions when liquor may be furnished or donated for a specific event to a specific audience such as delegates to an international trade fair conducted by a governmental entity.

**Summary of Bill:** A domestic winery may furnish wine without charge to nonprofit charitable organizations for use consistent with the purpose of the organization. Consistent with other exceptions for donating wine, the wine is subject to state liquor taxes.

**EFFECT OF SENATE AMENDMENT(S):** (1) Adds authority for domestic breweries along with domestic wineries to furnish their products without charge to charitable organizations. (2) Adds nonprofit business leagues, chambers of commerce and boards of trade to those groups that may receive the product.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** (Hearing occurred on a similar bill HB 2786) Wineries would like the opportunity to participate with community philanthropic organizations by donating their products for the benefit of the organizations. An organization may wish to use the wine products as an auction item for an organization's fund raising effort or to serve the wine at a dinner honoring the organization's volunteers.

**Testimony Against:** (Hearing occurred on a similar bill HB 2786) None.

**Testified:** (In support) Victoria Chiechi Hinze, Washington Wine Institute; and Dick Ducharme, Washington Beer and Wine Wholesalers Association.