

1 HOUSE BILL NO. 688

2 INTRODUCED BY J. KASSMIER, D. BEDEY, J. DOOLING, K. HOLMLUND, R. MARSHALL, B. USHER, K.

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5 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR AN INTERIM STUDY OF WINEMAKING IN
6 MONTANA; PROVIDING AN APPROPRIATION; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A
7 TERMINATION DATE."

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9 WHEREAS, American consumption of wine has increased from 1.95 gallons for each resident in 1998
10 to 2.82 gallons for each resident in 2013 according to the Agricultural Marketing Resource Center; and

11 WHEREAS, on a per-acre basis, vineyard returns greatly exceed returns from conventional crops,
12 providing tremendous potential for value-added marketing of wine, grapes, and their byproducts at the farm
13 level and increasing the farmer's share of the consumer's dollar, according to the University of Arkansas' Food
14 Science Department; and

15 WHEREAS, the expansion of Montana's vineyards may provide potential for increasing value-added
16 agricultural products; and

17 WHEREAS, Montana does not yet have a federally designated American Viticultural Area, a
18 designation that may enhance the viability of Montana wines; and

19 WHEREAS, the Wine Distribution Act provides a regulatory framework for winemaking in the state, but
20 could bear some scrutiny as part of a legislative review of regulatory constraints and opportunities for Montana
21 farmers.

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23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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25 NEW SECTION. **Section 1. Committee on Montana viticulture.** (1) There is a committee on
26 Montana viticulture.

27 (2) In consultation with the presiding officers of the house agriculture committee and the senate
28 agriculture, livestock, and irrigation committee, the president of the senate, the minority leader of the senate,

1 the speaker of the house, and the minority leader of the house shall each appoint one legislative member from
2 their respective parties to the committee. THE MEMBERS SHALL ELECT A PRESIDING OFFICER AND A VICE PRESIDING
3 OFFICER OF OPPOSITE PARTIES.

4 (3) A VACANCY MUST BE FILLED IN THE SAME MANNER AS THE ORIGINAL APPOINTMENT.

5 (4) COMMITTEE MEMBERS MUST BE REIMBURSED FOR TRAVEL EXPENSES AS PROVIDED IN 2-18-501 THROUGH
6 2-18-503 AND BE COMPENSATED AS PROVIDED IN 5-2-302.

7 (5) The legislative services division shall provide staff assistance to the committee.

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9 NEW SECTION. Section 2. Duties of committee on Montana viticulture. (1) The committee on
10 Montana viticulture shall study the issues of production and regulation of wine, winemaking, grape-growing, and
11 use of the byproducts.

12 (2) The committee shall examine:

13 (a) wine production, including processes of harvesting, crushing, fermentation, clarification, packaging
14 and labeling, and storage;

15 (b) the marketing of wine, including demographics, wine tourism, and other consumer behavior; and

16 (c) regulatory requirements and constraints as provided in Title 16 and by the United States
17 department of the treasury.

18 (3) All aspects of the study must be concluded prior to September 15, 2022. The final results of the
19 study, including any findings, conclusions, recommendations, proposed legislation of the committee, internet
20 links to public comments, relevant documents, and meeting records must be reported to the 68th legislature, in
21 accordance with 5-11-210.

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23 NEW SECTION. Section 3. Appropriation. There is appropriated \$25,000 from the general fund to
24 the legislative services division for the biennium beginning July 1, 2021, to support the activities of the
25 committee on Montana viticulture established in [section 1].

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27 NEW SECTION. SECTION 4. CONTINGENT VOIDNESS. (1) PURSUANT TO JOINT RULE 40-65, IF [THIS ACT]
28 DOES NOT INCLUDE AN APPROPRIATION PRIOR TO BEING TRANSMITTED TO THE GOVERNOR, THEN [THIS ACT] IS VOID.

1 ~~(2) IF THE APPROPRIATION IN [SECTION 3] IS VETOED, THEN [THIS ACT] IS VOID.~~

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3 NEW SECTION. **Section 5. Effective date.** [This act] is effective July 1, 2021.

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5 NEW SECTION. **Section 6. Termination.** [This act] terminates December 31, 2022.

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