



AN ACT PROVIDING FOR AN INTERIM STUDY OF WINEMAKING IN MONTANA; PROVIDING AN APPROPRIATION; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A TERMINATION DATE.

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

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

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

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

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

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

Section 1. Committee on Montana viticulture. (1) There is a committee on Montana viticulture.

(2) In consultation with the presiding officers of the house agriculture committee and the senate agriculture, livestock, and irrigation committee, the president of the senate, the minority leader of the senate, the speaker of the house, and the minority leader of the house shall each appoint one legislative member from their respective parties to the committee. The members shall elect a presiding officer and a vice presiding

officer of opposite parties.

(3) A vacancy must be filled in the same manner as the original appointment.

(4) Committee members must be reimbursed for travel expenses as provided in 2-18-501 through 2-18-503 and be compensated as provided in 5-2-302.

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

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

(2) The committee shall examine:

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

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

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

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

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

Section 4. Contingent voidness. (1) Pursuant to Joint Rule 40-65, if [this act] does not include an appropriation prior to being transmitted to the governor, then [this act] is void.

(2) If the appropriation in [section 3] is vetoed, then [this act] is void.

Section 5. Effective date. [This act] is effective July 1, 2021.

Section 6. Termination. [This act] terminates December 31, 2022.

- END -

I hereby certify that the within bill,
HB 688, originated in the House.

Chief Clerk of the House

Speaker of the House

Signed this _____ day
of _____, 2021.

President of the Senate

Signed this _____ day
of _____, 2021.

HOUSE BILL NO. 688

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

BOGNER, J. ELLSWORTH, G. HERTZ

AN ACT PROVIDING FOR AN INTERIM STUDY OF WINEMAKING IN MONTANA; PROVIDING AN
APPROPRIATION; PROVIDING AN EFFECTIVE DATE; AND PROVIDING A TERMINATION DATE.