

Approved: 4-3-08
Date

MINUTES OF THE SENATE AGRICULTURE COMMITTEE

The meeting was called to order by Chairman Mark Taddiken at 8:30 a.m. on March 19, 2008 in Room 423-S of the Capitol.

All members were present except:
Derek Schmidt- excused

Committee staff present:
Raney Gilliland, Kansas Legislative Research Department
Jason Thompson, Office of Revisor of Statutes
Matt Todd, Office of Revisor of Statutes
Judy Seitz, Committee Assistant

Conferees appearing before the Committee:
Tuck Duncan, General Counsel, Kansas Wine & Spirits Wholesalers Association
Whitney Damron, Kansas Grape Growers & Winemakers Association
Dr. John Brewer, Wyldewood Cellars
Philip Bradley, CEO, Kansas Licenses Beverage Association (KLBA)
Patrick DeLapp, Farm Owner
Gregory Shipe, Davenport Orchards, Vineyards and Winery
Rich Bryan, Chairman of the Education & Evaluation Committee, Kansas Viticulture & Farm Winery Association (KVFVA)
Pep Solberg-Selvan, Bluejacket Crossing Vineyard & Winery
Les Meyer, Holy-Field Vineyard & Winery
Michelle Meyer, Holy-Field Vineyard & Winery and President, Kansas Viticulture & Farm Winery Association

Others attending:
See attached list.

The hearing on **HB 2908—Permits for farm wineries** opened.

Whitney Damron appeared on behalf of the Kansas Grape Growers & Winemakers Association. presented testimony in favor of **HB 2908 (Attachment 1)**. He said this bill would allow wineries to sell to temporary permit holders and allow the temporary bill holder to sell wine by the original unopened bottle, by the glass at the Kansas State Fair. This bill would also make the labeling requirements for Kansas farm wineries consistent with Federal labeling requirements. Mr. Damron said **HB 2908** would allow the Director of the Alcoholic Beverage Control to issue a permit allowing for sales by the bottle at farmer's markets.

Tuck Duncan, General Counsel, Kansas Wine & Spirits Wholesalers Association, testified in support of **HB 2908 (Attachment 2)**. His association supports the sale of this agricultural alcohol product at farmers markets. He said they also have no objection to the multiple ownership provision and support the sale of wine in its original, unopened container at the state fairgrounds during the fair by a person who has entered into an agreement with the state fair board for that purpose. Mr. Duncan also had some suggested amendments to the bill.

Dr. John Brewer, Wyldewood Cellars, gave testimony in support of **HB 2908 (Attachment 3)**. He said the modifications to the Farm Winery Law proposed by this bill will help the farm wineries bring their products to market and educate the public that there is a Kansas wine industry.

The proponents answered questions.

Philip Bradley, CEO , Kansas Licensed Beverage Association (KLBA) also spoke in favor of **HB 2908 (Attachment 4)**. He is neutral on the wine section of this bill because he represents microbreweries but noted that it is not possible at this time to get domestic contents for microbreweries.

Patrick DeLapp, Farm Owner, appeared in opposition to **HB 2908 (Attachment 5)**. He stated that one of the problems with this bill is the elimination of the 60% rule of using Kansas fruit. Mr. DeLapp also said that he is concerned about allowing a person who currently has a beneficial interest in a farm winery to have more

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than one (1) farm winery license.

Gregor Shipe, Davenport Orchards, Vineyards & Winery, spoke in opposition to **HB 2908** (Attachment 6). He suggested that the bill be sent to the Kansas Grape & Wine Advisory Council for evaluation.

Richard Bryan, Chairman of the Education & Evaluation Committee, Kansas Viticulture & Farm Winery Association (KVFWA), testified in opposition to **HB 2908** (Attachment 7), and specifically mentioned eliminating the use of Kansas grown produce from the Kansas Farm Winery Act.

Pep Solberg-Selvan, Bluejacket Crossing Vineyard & Winery, gave testimony in opposition to **HB 2908** (Attachment 8) and wants to maintain the 60% content of Kansas grapes for Kansas wine. He said there needs to be a specific and clear standard for the production of Kansas wines made from a majority of Kansas grapes.

Les Meyer, Holy-Field Vineyard & Winery, spoke in opposition to **HB 2908** (Attachment 9). He said if the grapes are not grown in Kansas then there is no Farm in Farm winery and that threatens our livelihood as a legitimate Farm Winery who is proud of their Kansas grown product.

Michelle Meyer, Holy-Field Vineyard & Winery and President, Kansas Viticulture & Farm Winery Association (KVFWA), opposed the amendments to **HB 2908** which would eliminated the requirement that wine produced by Kansas farm wineries use at least 60% of Kansas grown product in its production (Attachment 10). She said entities desiring to produce wine unhindered by Kansas content requirements should apply for a manufacturer's license, not a Kansas farm winery license. She also said the KVFWA opposes the amendment that would permit a person to own multiple Kansas farm wineries. Ms Meyer did support the remaining amendments.

Written testimony opposing **HB 2908** was submitted by:

George Hoff, Stone Pillar Vineyard (Attachment 11)

Francis Riley, (Attachment 12)

Everett DeHaven (Attachment 13).

Conferees answered questions from the Committee.

Meeting adjourned.