



A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA REQUESTING AN INTERIM STUDY OF VITICULTURE AND WINE DISTRIBUTION AND LICENSING REGULATION; AND REQUIRING THAT THE FINAL RESULTS OF THE STUDY BE REPORTED TO THE 69TH LEGISLATURE.

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; and

WHEREAS, the Montana Department of Agriculture has authority over the agricultural aspect of vineyards, but the Montana Department of Revenue has authority over the distribution and sale of wine in the state.

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF

THE STATE OF MONTANA:

That the Legislative Council be requested to designate an appropriate interim committee or statutory committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to study the issues of production and regulation of wine, winemaking, grape-growing, and the use of byproducts. The study shall examine:

- (1) wine production, including processes of harvesting, crushing, fermentation, clarification, packaging, labeling, and storage;
- (2) the marketing of wine, including demographics, wine tourism, and other consumer behavior;
- (3) regulatory requirements and constraints as provided in Title 16 and by the United States department of the treasury; and
- (4) additional licensing opportunities for wine production, manufacturing, and sales.

BE IT FURTHER RESOLVED, that the study include representatives of the Department of Agriculture, Department of Commerce, Department of Revenue, and appropriate stakeholders, including state or local groups that work on the topic of viticulture.

BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be presented to and reviewed by an appropriate committee designated by the Legislative Council.

BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review requirements, be concluded prior to September 15, 2024.

BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions, comments, or recommendations of the appropriate committee, be reported to the 69th Legislature.

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