

HB 491-FN – AS INTRODUCED

2013 SESSION

13-0454  
03/05

HOUSE BILL            **491-FN**  
AN ACT                relative to New Hampshire farm wineries.  
SPONSORS:            Rep. Sad, Ches 1  
COMMITTEE:          Environment and Agriculture

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ANALYSIS

This bill prohibits advertising, labeling, or describing a product as that of a New Hampshire farm winery unless the manufacturer qualifies under the requirements in the bill.

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Explanation:          Matter added to current law appears in ***bold italics***.  
                                Matter removed from current law appears [~~in brackets and struck through.~~]  
                                Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Thirteen*

AN ACT                   relative to New Hampshire farm wineries.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

- 1           1 New Hampshire Farm Winery. Amend the section heading of RSA 426:5 to read as follows:  
2           426:5 Use of Words “Native,” “Local,” ~~and~~ “Our Own[-],” **and “New Hampshire Farm**  
3 **Winery”**.
- 4           2 New Paragraph; New Hampshire Farm Winery. Amend RSA 426:5 by inserting after  
5 paragraph II the following new paragraph:
- 6           III. It shall be unlawful to advertise, label, or describe a product in this state as the product  
7 of a “New Hampshire farm winery” unless the following requirements apply to the manufacturer:
- 8           (a) The manufacturer grows or gathers, on its own land, at least 75 percent of the  
9 grapes, apples, fruit, or honey used in every variety of its winemaking, and the remainder of the  
10 grapes, apples, fruit, or honey used in its winemaking originates in New Hampshire; and
- 11           (b) The gross annual income from the sale of wine crops, as value added agricultural  
12 products, produced on the manufacturer’s own land, totals at least \$2,500; and
- 13           (c) Bottle labels for grape wine produced by the manufacturer include the appellation of  
14 origin to include “New Hampshire.”
- 15           3 Effective Date. This act shall take effect January 1, 2014.

**HB 491 FISCAL NOTE**

AN ACT                    relative to New Hampshire farm wineries.

**FISCAL IMPACT:**

The Liquor Commission states this bill, as introduced, will increase state revenue by an indeterminable amount in FY 2014 and each year thereafter. The Department of Agriculture, Markets and Food states this bill may increase state general fund expenditures in FY 2014 and each year thereafter. There is no fiscal impact on county and local expenditures or revenue.

**METHODOLOGY:**

The Liquor Commission states this bill establishes criteria to be used as it relates to the labeling of New Hampshire Farm Winery. The Commission states this bill will increase state Liquor Fund revenue by a minimal but indeterminable amount in FY 2014 and each year thereafter. The Commission states for the 12 month period of October 2011 through October 2012, New Hampshire wineries sold approximately \$482,000 of their products in Commission retail stores as well as at on and off-premise locations.

The Department of Agriculture, Markets and Food states this bill will require Department staff to verify the producer meets the requirements to label products as from a New Hampshire Farm Winery. Department staff will need to view production fields and see receipts for purchases of product to determine if the wine meets the requirements; view producer tax returns to determine gross annual income from wine crop sales to determine if it meets the \$2,500 threshold; and view bottle labeling. The Department states there are approximately 30 wineries in New Hampshire. It is assumed only a small percentage of the wineries would meet the requirements of this bill. The Department states its existing staff responsible for overseeing proper labeling would need training in farm winery to implement this bill. The Department assumes it could use existing staff to oversee the proper use of New Hampshire Farm Winery labeling based on the assumption only a small percentage of existing New Hampshire wineries would meet the requirements of this bill. If the number of wineries increases, the Department may need to add staff.

This bill does not contain authorization or appropriations for additional positions.