

GRAPE AND WINE DEVELOPMENT

175A.1 Definitions.

1. "*Commission*" means the grape and wine development commission as established pursuant to section 175A.2.
2. "*Department*" means the department of agriculture and land stewardship.
3. "*Fund*" means the grape and wine development fund created pursuant to section 175A.5.
4. "*Grower*" means a person who owns a vineyard and is actively engaged in growing grapes on a commercial basis in this state for use by a winery.
5. "*Retail seller*" means a person actively engaged in the business of selling wine in this state on a retail basis.
6. "*Vineyard*" means a tract of land used for growing grapes used in making wine.
7. "*Wine*" means the same as defined in section 123.3.
8. "*Winemaker*" means a person who owns a winery and is actively engaged in producing wine in this state on a commercial basis.
9. "*Winery*" means a commercial operation using grapes for the production of wine on a commercial basis.

2001 Acts, ch 162, §2

175A.2 Grape and wine development commission.

1. A grape and wine development commission is established within the department. The commission shall be composed of the following persons:

a. The following persons, or their designees, who shall serve as nonvoting, ex officio members:

- (1) The secretary of agriculture.
- (2) The dean of the college of agriculture of Iowa state university of science and technology.
- (3) The director of the department of economic development.
- (4) The director of the department of natural resources.

b. The following persons appointed by the secretary of agriculture, who shall serve as voting members:

- (1) Two growers.
- (2) Two winemakers.
- (3) One retail seller.

The secretary of agriculture shall appoint the voting members based on a list of nominations submitted by organizations representing growers, winemakers, and retail sellers as certified by the department according to

requirements of the department. Appointments of voting members are subject to the requirements of sections 69.16 and 69.16A. In addition, the appointments shall be geographically balanced. Unless the secretary of agriculture determines that it is not feasible, at least one person appointed as a voting member shall reside in each of the state's congressional districts at the time of appointment. The secretary of agriculture's appointees shall be confirmed by the senate, pursuant to section 2.32.

2. The voting members shall serve three-year terms beginning and ending as provided in section 69.19. However, the secretary of agriculture shall appoint initial members to serve for less than three years to ensure members serve staggered terms. A member is eligible for reappointment. A vacancy on the commission shall be filled for the unexpired portion of the regular term in the same manner as regular appointments are made.

3. The commission shall elect a chairperson from among its voting members each year on a rotating basis as provided by the commission. The commission shall meet on a regular basis and at the call of the chairperson or upon the written request to the chairperson of two or more voting members.

4. Members are not entitled to receive compensation or reimbursement of expenses from the department notwithstanding anything to the contrary in section 7E.6.

5. Three voting members constitute a quorum and the affirmative vote of a majority of the voting members present is necessary for any substantive action to be taken by the commission. The majority shall not include any member who has a conflict of interest and a statement by a member that the member has a conflict of interest is conclusive for this purpose. A vacancy in the membership does not impair the duties of the commission.

2001 Acts, ch 162, §3; 2002 Acts, ch 1119, §26

175A.3 Administration.

1. The department shall administer this chapter and shall do all of the following:

a. Establish and administer grape and wine development programs as provided in section 175A.4 and account for and expend moneys from the grape and wine development fund created pursuant to section 175A.5. Prior to authorizing an expenditure of moneys, the department shall consult with the grape and wine development commission. The commission shall make recommendations to the department regarding the expenditure of moneys to enhance and develop the native wine industry and to provide an infrastructure to encourage the growth of the native wine industry in this state.

b. Report to the commission regarding the status of grape and wine development, including information regarding persons receiving assistance under grape and wine development programs as provided in section 175A.4 and the status of the grape and wine development fund as provided in section 175A.5.

c. Provide facilities for the commission to meet and carry out its powers and duties as provided in this section, including by staffing commission meetings.

d. Adopt all rules necessary to administer this chapter.

2. The grape and wine development commission shall oversee the administration of this chapter by the department and shall do all of the following:

a. Monitor conditions, practices, policies, and programs affecting the grape and wine development in this state.

b. Establish mutually beneficial relationships with local, state, and federal governmental agencies and local,

regional, and national associations representing growers and winemakers.

c. Contract with a viticulturist or oenologist to provide technical assistance under grape and wine development programs as provided in section 175A.4.

d. Approve or disapprove applications for financial assistance under grape and wine development programs as provided in section 175A.4, after departmental review and recommendation and in accordance with rules adopted pursuant to this chapter. The department shall adopt rules for awarding moneys to persons submitting proposals, including procedures for submitting applications and criteria for selecting proposals.

e. Propose rules for adoption by the department pursuant to chapter 17A required for the administration of this chapter.

f. Make recommendations to the department regarding a proposed expenditure of funds as provided in subsection 1, paragraph "a".

2001 Acts, ch 162, §4; 2002 Acts, ch 1119, §27; 2005 Acts, ch 113, §2, 3

175A.4 Grape and wine development programs.

The department in cooperation with the commission shall establish grape and wine development programs by assisting persons in establishing, improving, or expanding vineyards or winemaking operations, including wineries. To every extent feasible, the programs shall provide assistance to persons located in all regions of the state. The programs may provide for all of the following:

1. Technical assistance which may include all the following:

a. Viticultural assistance in order to increase the size of vineyards, improve yield, and enhance the character, composition, and condition of grapes. The department may provide technical assistance regarding the selection and management of vines suitable for regions of this state; cultivation and harvest practices; the implementation of practices designed to improve grape growing based on soil types, nutrients and minerals, space, climate, and drainage; the use of recommended varieties of native or hybrid cultivars; and disease, weed, and pest control, including the safe and effective application of pesticides or herbicides or the use of organic practices.

b. Oenological assistance which may be based on oenological study in order to produce, preserve, and transport commercially viable wines, including high-quality wines, wines adapted to particular regions of the state, and wines with distinctive tastes produced from native or hybrid cultivars. The technical assistance may include assistance regarding improving practices or constructing facilities designed to expand or improve processing, cellarage, or bottling.

2. Financial assistance which shall be in the form of a loan, forgivable loan, loan guarantee, cost share, indemnification of costs, or any combination of such financing as deemed appropriate by the commission. The financial assistance may be awarded to persons beginning or engaged in grape growing or winemaking, based on a sound business plan that demonstrates the viability of the proposed operations.

2001 Acts, ch 162, §5

175A.5 Grape and wine development fund.

1. A grape and wine development fund is created in the state treasury under the control of the department. The fund is composed of moneys appropriated by the general assembly and moneys available to and obtained or accepted by the department from the United States or private sources for placement in the fund. The fund

shall include moneys deposited into the fund from the wine gallonage tax as provided in section 123.183.

2. Moneys in the fund are appropriated to the department exclusively to carry out grape and wine development programs as provided in section 175A.4, including contracting with a viticulturist or oenologist to provide technical assistance and to provide financial assistance to growers and winemakers as provided in that section.

3. Section 8.33 shall not apply to moneys in the fund. Notwithstanding section 12C.7, moneys earned as income or interest from the fund shall remain in the fund until expended as provided in this section.

2001 Acts, ch 162, §6