



April 3, 2023

The Honorable Angelique V. Ashby
California State Senate
1021 O Street, Suite 7320
Sacramento, CA 95814

RE: Senate Bill 788 (Ashby), Cider and Perry Manufacturing -- SUPPORT

Dear Senator Ashby:

On behalf of California's craft beer industry and regional guilds, we are writing to register our support for your Senate Bill 788 related to cider and perry manufacturing. SB 788 harmonizes the existing privileges of California beer manufacturers (both Type 01 and Type 23 licensees) to produce cider and perry under a beer manufacturers license.

Cider and perry are considered a form of wine even though the process for manufacturing is identical to beer. Under current law if a small beer manufacturer (Type 23) wants to use their brewing equipment to produce cider and perry they are required to also become a California licensed winemaker with a Type 02 license. However, large beer manufacturers (Type 01) that produce more than 60,000 barrels of beer per year can produce cider or perry without having to obtain a California licensed winemaker license (Type 02).

SB 788 remedies this odd and asymmetrical licensing requirement by allowing ALL beer manufacturers, both large (Type 01) and small (Type 23), to use their brewing equipment to make cider and perry without being required to become a California licensed winemaker with a Type 02 license.

In 2020, cider sales still grew 9%, with regional cider brands seeing sales rise as much as 33% over previous years. There are more than 1,000 craft breweries across California that are disadvantaged in the growing cider market by having to jump through multiple licensing requirements at the state level.

SB 788 creates uniformity in current law for both smaller and larger licensed beer manufacturers by removing the 60,000 barrel threshold to allow small manufacturers to also produce cider and perry with their beer license.

It is for these reasons, we are pleased to support SB 788 and express our gratitude for your office authoring this measure in 2023.

Sincerely,



Lori Ajax
Executive Director
California Craft Brewers Association



Ryan Campagna
President
Sacramento Area Brewers Guild



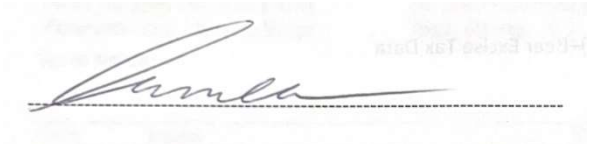
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