



April 17, 2023

The Honorable Bill Dodd, Chair  
Senate Committee on Governmental Organization  
1020 N Street, Room 584  
Sacramento, CA 95814

**RE: SB-277 Off-sale beer and wine licenses: low alcohol-by-volume spirits beverages – SUPPORT**

Dear Chair Dodd:

On behalf of the California Retailers Association, I am writing to support SB 277. The measure authorizes off-sale beer and wine licensees to sell low-alcohol by volume (ABV) spirits-based ready-to-drink (RTD) cocktails or “RTDs” to adult consumers.

CRA is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, on-line marketplaces, restaurants, convenience stores, supermarkets and grocery stores, chain drug, and specialty retail such as auto, vision, jewelry, hardware, and home stores. CRA works on behalf of California’s retail industry, which operates over 400,000 retail establishments with a gross domestic product of \$330 billion annually and employs one fourth of California’s total employment.

Over the last several years, alcoholic beverage industry groups have worked with policymakers to modernize liquor licensing rules to reflect the changes in the marketplace. One area ripe for consideration is RTDs which have become increasingly popular in the last several years. Convenience, quality, and variety are attracting consumers. However, in California, the type of alcohol base determines where an RTD product can be sold. This has ultimately restricted consumer access to spirits-based RTDs. Retailers who hold a Type 20 License are permitted to sell malt-based or wine-based RTDs but are prohibited from the sale of similar RTD products that are spirits-based even when those products contain the same or less alcohol.

SB 277 is a logical and modest change in the law that helps small businesses while also meeting consumer demand. For these reasons, we are proud to sponsor this measure. Should you have any questions or require any additional information, please feel free to contact me at [Ryan@calretailers.com](mailto:Ryan@calretailers.com).

Sincerely,

**Ryan Allain**  
Director, Government Relations  
California Retailers Association