

transparency when shopping for their preferred wine. AB 1585 will give consumers confidence that they are getting what they paid for.

- 2) **Appellation of Origin.** Wine labels in California must satisfy both federal and state rules. While federal law sets uniform national standards, federal law does not expressly preempt states from adopting additional or more protective labeling requirements, so long as those requirements do not conflict with federal mandates or impede interstate commerce. Under federal law, at least 75% of a bottle of wine must be derived from fruit grown in the U.S. to use “American” as an appellation. Additionally, wine designated with an appellation of origin defined by a political boundary, such as a county name, must be at least 75% derived from that appellation’s grapes and wine designated with an American Viticultural Area (AVA) must be at least 85% derived from that AVA’s grapes. However, under state law, a wine labeled with “California” as the appellation of origin must be made from 100% California-grown grapes. This bill prohibits use of the “American” or “United States” appellation for wine produced or sold in California unless 100% of the wine is derived from grapes grown in the U.S.
- 3) **Support and Opposition.** This bill is co-sponsored by the Family Winemakers of California and California Association of Winegrape Growers, which argue, “for ‘American’ wine, most consumers have no knowledge whatsoever about what they are buying. When wine consumers cannot rely on the label to tell them what is actually in the bottle, this hurts the entire California wine industry.” This bill is also supported by other agriculture associations and many individual people and vineyards.

This bill is opposed by the Wine Institute and the Wine and Spirits Wholesalers of California, with the former arguing, “it has long been standard that label indicators require less than 100% grape sourcing” and this bill “will most significantly impact the ‘value’ wine segment – those wines produced with a focus on affordability. This segment is vital to the recovery of the wine industry, as these lower cost wines are most often where customers new to wine make their first purchase.”

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