

TITLE 4. BUSINESS REGULATIONS
DIVISION 1. DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL
ARTICLE 16. Department of Alcoholic Beverage Control –Signs and Notices
Section 106 (d). Alcoholic Beverage Lists

ECONOMIC IMPACT ASSESMENT
(Government Code Section 11346.3 (b))

Purpose:

The proposed amendment to Rule 106(d) is intended to raise the monetary limit of alcoholic beverage lists from \$25 to \$50 to more accurately reflect modern-day business practices. The ABC Act regulates, in part, the relationships between alcoholic beverage suppliers and retailers to insure that alcoholic beverages are not marketed in an overly aggressive manner and that an orderly market place is maintained. This furthers the policy goal of promoting temperance in the use and consumption of alcoholic beverages. The Department of Alcoholic Beverage Control proposes amending section 106(d) in response to a petition received from Wine and Spirits Wholesalers of California, Inc. requesting that ABC amend Rule 106(d) to raise the monetary limit of alcoholic beverage lists. In agreement, the Department finds that the current limit is outdated and unrealistic, and thus fails to allow suppliers to provide the same quality of alcoholic beverage lists that they have been able to provide to retailers in the past.

The Creation or Elimination of Jobs within the State of California:

The Department has determined that the proposed amendment to this regulation is consistent and compatible with existing state regulations seeking to update outdated regulations with today's business practices. It is anticipated that the proposed amendments will not create or eliminate jobs within California.

The Creation of New Businesses or the Elimination of Existing Business within the State of California:

The Department has determined that the proposed amendment will not have an impact on the creation of new businesses or the elimination of existing businesses within California. The proposed amendment will only affect ABC-licensed businesses that choose to accept alcoholic beverage lists provided by a supplier.

The Expansion of Businesses Currently Doing Business within the State of California:

The Department has determined that the proposed amendment is not relevant to the expansion of businesses in California. The proposed amendment will only affect ABC-licensed businesses that choose to accept alcoholic beverage lists provided by a supplier.

Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment:

Compliance with restrictions placed upon what items suppliers may provide to retailers helps advance the State's policy objectives with respect to the sale and promotion of alcoholic beverages, and thus benefits and protects California residents. Updating the limit so that it remains realistic and reasonable will assist in insuring that suppliers can continue to provide alcoholic beverage lists of equal or similar quality as those previously authorized and will thus aid the industry in complying with the law. The proposed amendment will not otherwise benefit worker safety or the State's environment.