

# **California Department of Alcoholic Beverage Control**



## **2014 Summary of Chaptered Legislation**

Below is a summary of 2014 chaptered bills amending the Alcoholic Beverage Control (ABC) Act and the code sections affected by that legislation. All changes become effective January 1, 2015 except as otherwise noted. The text of these bills can be viewed at [www.leginfo.ca.gov](http://www.leginfo.ca.gov).

**ABC Act**

<u>Section</u>	<u>Subject</u>	<u>Bill Number</u>	<u>Effective</u>
23104.2	Product quality and beer returns	AB 2010	9/29/14
23356.2	Homemade beer and wine/ non-profits	AB 2609	
23357	Beer manufacturer licensed premises/ Private events	AB 2004	
23389	Duplicate licenses/ Beer Manufacturer Temp Permit	AB 2010	9/29/14
23399.4	Farmers market wine tastings	AB 2488	7/8/14
23399.45	Certified Farmers Market Beer Manufacturer Permit	AB 2004	
23399.6	Extends # of days authorized for type 81 license	AB 2182	
25202	Metal Keg Containers	AB 2003	
25503.5	Instructional tastings	AB 520	
25503.5	Instructional tastings	AB 1424	
25503.57	Instructional tastings and authorized licensee	AB 520	
25503.6	Advertising exemption Levi Stadium	AB 600	7/18/14
25503.6	Major tenants and stadium advertising agreements	AB 1424	
25658	Student alcoholic beverage tastings/ Qualified academic institutions	AB 1989	
25600.3	Beer manufacturer coupons	AB 1928	
25608	Alcohol consumption/ K-12 school facilities	AB 2073	
25662	Students alcoholic beverage tastings	AB 1989	
25668	Qualified students	AB 1989	

**AB 520 (Chesbro D) Instructional Tasting Events**  
**Chapter No.: 777**  
**Effective: 1/1/15**

**Summary:** This bill expands the list of licensees (or their designated representative) that may conduct instructional tasting events regarding wine or distilled spirits at "on-sale" retail licensed premises to include wholesalers. This bill also:

- Conforms advertising restrictions for "on-sale" instructional tasting events with the "off-sale" instructional tasting events, and permits a supplier and retailer to advertise the designated event via newspaper ads, interior signage and internet communications, as defined.
- Prohibits the removal of product purchased from the on-sale retail licensee and limits the events to one authorized licensee per retailer per event per day.
- Clarifies that "Authorized Licensee" shall not include any person that holds a license in combination with a beer and wine importer general license (Type 10).

**Sections:**

Amends Section 25503.5 and adds new Section 25503.57 to the Business and Professions Code.

**AB 600 (Bonta D) Advertising agreements: Levi Stadium**  
**Chapter No.: 139**  
**Effective: 7/18/14**

**Summary:** This bill extends the existing "tied-house" exception in the Alcoholic Beverage Control Act (Act) pertaining to the general prohibition against advertising arrangements between retail, wholesale and manufacturer licensees to include an outdoor stadium with a fixed seating capacity of at least 68,000 seats located in the city of Santa Clara (Levi Stadium – new home of the San Francisco 49ers).

**Sections:**

Amends Section 25503.6 of the Business and Professions Code.

**AB 1928 (Bocanegra D)**  
**Chapter No.: 145**  
**Effective: 1/1/15**

**Summary:** This bill prohibits beer manufacturers and distributors from offering coupons that may be redeemed at the point of sale by licensed alcoholic beverage retailers.

- Adds a definition of beer manufacturer for purposes of this section that includes holders of: (a) beer manufacturer's licenses, (b) out-of-state beer manufacturer's certificates, (c) beer and wine importer's general licenses when selling beer, malt beverages, cider, or perry, (d) winegrowers that are a wholly owned subsidiary of a beer manufacturer.
- Defines "coupons" as any method by which a consumer receives an instant discount on beer at the time of a purchase that is funded, produced, sponsored, promoted, or furnished, either directly or indirectly, by a beer manufacturer or beer and wine wholesaler.

- It does not prohibit rebate coupons mailed in by the consumer.
- It does not prohibit instant coupons funded by the retailer.

**Sections:**

Adds new Section 25600.3 to the Business and Professions Code.

**AB 1989 (Chesbro D) Under-age Student Alcoholic Beverage tastings**

**Chapter No.: 162**

**Effective: 1/1/15**

**Summary:** This bill:

- Allows qualified students under the age of 21 to taste an alcoholic beverage under specified conditions.
- Exempts the student and the qualified academic institution in which the student is enrolled from criminal prosecution.
- Defines the terms "qualified academic institution," "qualified student," and "taste" for the purposes of this provision.

**Sections:**

Amends Sections 25658 and 25662 and adds new Section 25668 Business and Professions Code

**AB 2004 (Chesbro D) Certified Farmers' Market Beer Sales Permit**

**Chapter No.: 806**

**Effective: 1/1/15**

**Summary:** This bill creates the certified farmers' market beer sales permit which grants the beer manufacturer the privilege of selling beer that has been produced by the beer manufacturer, at a certified farmers' market, or any permitted community event area operated in conjunction with a certified farmers' market, as specified:

- Multiple farmers' market sales permits per beer manufacturer may be issued for up to 12 months but each permit shall be valid for only one day a week at any single farmers' market or community event location.
- Sales of beer under the farmers' market sales permit is subject to discretion and managerial control of a certified farmers' market or community event operator.
- Farmers' market permit may only be issued to a licensee located within the county or an adjacent county of the physical location of the farmers' market.
- Prohibits the licensed beer manufacturer from selling more than 5,000 gallons of beer annually pursuant to all certified farmers' markets permits held by any single beer manufacturer.
- Requires the licensed beer manufacturer to maintain records of annual beer sales made Requires ABC to notify the local entity and law enforcement agency where the certified farmers' market event is to be held of the issuance of the permit.
- Establishes a \$50 permit fee which is subject to adjustment pursuant to the ABC Act.

The bill also:

- Authorizes a beer manufacturer to offer for sale or service, all beers and wines, regardless of source on the licensed premises, or premises owned by the manufacturer that only to guests during private events not open to the general public.
- Requires that all alcoholic beverages sold or served at a beer manufacturer licensed premises must be produced by a licensee authorized to manufacture the product.

**Sections:**

Amends Section 23357 and adds new Section 23399.45 Business and Professions Code

**AB 2010 (Gray D) Duplicate Licenses/Beer Manufacturer Temporary Permit**

**Chapter No.: 808**

**Effective: 9/29/14**

**Summary:** This bill:

- Adds “product quality” to the list of authorized exceptions under which a retail licensee may return beer to a wholesaler or manufacturer.
- Removes the requirement that the Department issue a duplicate beer manufacturer license “forthwith upon application” when the beer manufacturer seeks to exercise retail privileges at a branch office.
- Provides for issuance of a beer manufacture temporary permit to allow the beer manufacturer to conduct non-retail operations, such as warehousing and delivering beer to retailers, at the branch office while the application for the duplicate license is pending.
- It will continue to require “forthwith” issuance of the duplicate license if the beer manufacturer is only exercising non-retail privileges at the branch office location.
- Limits the number of locations at which a beer manufacturer may sell beer to consumers for consumption on or off the licensed premises under a duplicate license to no more than six locations.
- Limits the operation of a restaurant to no more than two of the six retail locations.

**Sections:**

Amends Section 23104.2 and repeals and adds new Section 23389  
Business and Professions Code

**AB 2073 (Bigelow R) Alcohol Consumption on School Facilities**

**Chapter No.: 235**

**Effective: 1/1/15**

**Summary:** This bill authorizes the sale or Consumption of alcoholic beverages on the grounds of a public schoolhouse pursuant to a license or permit obtained for special events at a time when pupils are not present.

**Sections:**

Amends Section 25608 Business and Professions Code

**AB 2182 (Gaines R) Distilled Spirits Tastings**

Chapter No: 213

Effective: 1/1/15

**Summary:** This bill:

Amends a provision of the Alcoholic Beverage Control (ABC) Act which currently allows a licensed winegrower to apply for a wine sales event permit to allow wine to be sold at fairs and cultural events for a maximum of five consecutive days to instead make the permit valid for the entire duration of the event.

**Sections:**

Amends Section 23399.6 Business and Professions Code.

### **AB 2203 (Chesbro D) Metal Kegs**

**Chapter No: 236**

**Introduced: 1/1/15**

**Summary:** This bill:

Adds “metal kegs” to the list of beer containers that require the written consent of the original manufacturer whose name, brand name, print, or marking where placed on the container before that original manufacturers name, brand name, print or markings can be obliterated, mutilated or marked out. Written consent is not required if the manufacturer of the “metal kegs” has discontinued business or production and no longer holds a beer manufacturing license issued by ABC.

**Sections:**

Amends Section 25202 Business and Professions Code.

### **AB 2488 (Levine D) Farmers Market Wine Tasting**

**Chapter No.: 98**

**Effective: 7/8/24**

**Summary:** This bill:

- Allows a licensed winegrower, a member of the licensee’s family, or an employee of the licensee, to conduct an instructional tasting event for consumers at a certified farmers’ market.
- Subject to the authorization and managerial control of the operator of the certified farmers’ market.
- The instructional tasting event area must be separated from the remainder of the market by a wall, rope, cable, cord, chain, fence, or other permanent or temporary barrier.
- Only one licensee may conduct an instructional tasting event at any one certified farmers’ market.
- The licensee shall not permit any consumer to leave the instructional tasting area with an open container of wine.
- The licensee may not pour more than three ounces of wine per individual per day.
- Expand the types of wine that may be sold and tasted at certified farmers’ markets from wine made entirely from grapes grown by the winegrower to wine made entirely from grapes or other agricultural products grown by the winegrower.
- Allows the sale and tasting of non-grape wines such as cider (made from apples) and perry (made from pears). Such wine must also be bottled by the winegrower.
- Prohibit licensees from giving any premium, gift, free goods, or other thing of value in connection with an instructional tasting event except as otherwise permitted.

**Sections:**

Amends Section 25202 Business and Professions Code

**AB 2609 (Nestande R) Homemade Beer and Wine and non-profit events**

**Chapter No.: 239**

**Effective: 1/1/15**

**Summary:** This bill allows nonprofit organizations established for the purpose of promoting home production of beer, or whose membership is composed primarily of home brewers, to sell homemade beer at fundraisers. This bill also:

- Specifies the nonprofit shall be issued no more than two permits per calendar year by ABC and that the nonprofit must display a printed notice at the event that home brewed beer is not a regulated product subject to health and safety standards.
- Specifies that home brewed beer may only be provided or served to the public within a clearly identified area, that includes, but is not limited to, a physical barrier with a monitored point of entry; and beer or wine produced by a licensed beer manufacturer or wine grower shall not be provided or served to the public within this identified area.
- Specifies that only bona fide members of the nonprofit may attend the event and the nonprofit shall not solicit or sign up individuals to be members on the day of the event at the event premises and the event must have an educational component.
- Requires the nonprofit to provide ABC with the number of members that have registered for the event and the estimated number that will be in attendance 48 hours prior to the event if more than 50 members are expected to be in attendance at the event.

**Sections:**

Amends Section 23356.2 Business and Professions Code.

**AB 1424 (Assembly G.O. Committee)**

**Chapter No.: 769**

**Effective: 1/1/15**

**Summary:** This bill clarifies that an advertising agreement may also be entered into by or on behalf of a non-licensee that is the major tenant in a stadium sponsorship agreement, with respect to Levi Stadium in Santa Clara.

**Sections:**

Amends Sections 25503.5 and 25503.6 Business and Professions Code