

California Department of Alcoholic Beverage Control



2022 Chaptered Legislation Code Section Updates

2022 Chaptered Bills Amending the ABC Act

1. [AB 98 \(Kalra, Chapter 267, Statutes of 2022\)](#) **Tied-house restrictions: advertising exceptions: City of San Jose.**

Amends Section 25503.6 of the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately. (Effective September 13, 2022)

Summary of Code Section Changes - Business and Professions Code Section 25503.6 (a)(1)(X) grants a tied-house exception for an arena in San Jose with a fixed seating capacity in excess of 15,000 seats. This urgency bill reduces the minimum seating threshold from 15,000 to 4,000. As a result, this urgency bill authorizes a beer manufacturer, the holder of a winegrower's license, a rectifier, a craft distiller, a distilled spirits manufacturer, or distilled spirits manufacturer's agent to purchase advertising space and time from, or on behalf of, an on-sale retail licensee that is the owner or operator of a fully enclosed arena with a fixed seating capacity in excess of 4,000 seats located in the City of San Jose.

2. [AB 631 \(Bloom, Chapter 727, Statutes of 2022\)](#) **Alcoholic beverage control: licenses: nonprofit cultural film exhibition companies.**

Amends Sections 23039 and 24045.7 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - Section 24045.7 of the Business and Professions Code authorizes the Department to issue a special on-sale general license to a nonprofit theater company that is exempt from the payment of income taxes under Section 23701(d) of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of the United States. This license is known as a type 64 license. This bill makes nonprofit cultural film exhibition companies eligible for a type 64 license, subject to the same licensing fees as nonprofit theater companies. A "nonprofit cultural film exhibition company" is defined to mean a company that predominantly exhibits classic, foreign, independent, or rare movies by means of digital or film projection equipment for its members or the general public, or both, in a theater with a seating capacity of at least 100 seats, at least three days per week. Similar to nonprofit theater companies, a nonprofit cultural film exhibition company is not considered a public premises (it is open to all ages), may sell alcoholic beverages to ticketholders only two

hours before, during, and one hour after a bona fide film exhibition of the company, and the license is only for a single specified premises.

3. **[AB 920 \(Aguiar-Curry, Chapter 729, Statutes of 2022\)](#) Craft distillers: direct shipping.**

Adds and repeals Section 23504.5 of the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately. (Effective September 29, 2022)

Summary of Code Section Changes - This urgency bill authorizes a licensed craft distiller, until January 1, 2024, to directly ship distilled spirits manufactured or produced by the licensee at its premises to a consumer only if the sale complies with all of the following:

- 1) The amount shipped must not exceed the equivalent of 2.25 liters in any combination of prepackaged containers per day per consumer and shall be solely for the consumer's personal use and not for resale.
- 2) The licensed craft distiller must maintain adequate records of the shipments and provide those records to the Department upon request.
- 3) The licensed craft distiller must require the common carrier to obtain the signature of any individual 21 years of age or older before delivering any distilled spirits shipped to an individual in this state.
- 4) The containers in which the distilled spirits are shipped must be conspicuously labeled with the words: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY."

4. **[AB 1323 \(Haney, Chapter 271, Statutes of 2022\)](#) Alcoholic beverage control: tied-house exceptions.**

Amends Section 25503.35 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill expands an existing tied-house exception by reducing the minimum number of seats, from 2,100 to 1,600, that must be configured in a type 71 licensed premises (for-profit theater in San Francisco) in order for the license holder to receive compensation from a beer manufacturer, winegrower, rectifier, distilled spirits manufacturer, craft distiller, or distilled spirits manufacturer's agent for advertising space, as specified.

5. **[AB 1330 \(Mayes, Chapter 272, Statutes of 2022\)](#) Alcoholic beverage tied-house restrictions: exceptions: County of Riverside.**

Amends Section 25503.6 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill establishes a tied-house exception for a fully enclosed arena in Riverside County with a seating capacity of more than 10,000 seats. This exception allows a beer manufacturer, the holder of a winegrower's license, a rectifier, a craft distiller, a distilled spirits manufacturer, or distilled spirits manufacturer's agent to purchase advertising space from the on-sale licensee that is the owner or operator of the arena, subject to the same general requirements applicable to other arena tied-house exceptions specified in Business and Professions Code Section 25503.6.

6. **[AB 1734 \(Bennett, Chapter 175, Statutes of 2022\)](#) Alcoholic beverages: licensed premises: retail sales and consumption.**

Amends Section 25607 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill authorizes the holder of a beer manufacturer's license and a winegrower's license, that are under identical ownership, to have an overlapping premises where retail sales and consumption under each license may be combined, as specified. This change eliminates the need for separate cash registers or points of sale. To exercise this privilege, each license must either be both master licenses or both branch offices, and not a combination of a master license and a branch office; for overlapping branch offices, only alcoholic beverages produced by the licensee may be sold. For additional information, an Industry Advisory is available on the ABC website ([link here](#)).

7. **[AB 2037 \(Flora, Chapter 155, Statutes of 2022\)](#) Polling places: alcoholic beverages.**

Amends Section 12288 of the Elections Code, relating to elections. (Effective January 1, 2023)

Summary of Code Section Changes - This bill repeals the prohibition against polling places being in an establishment where the sale and dispensation of alcoholic beverages is its primary purpose. The impact of this change is that venues containing bars, such as a veteran's club, may be utilized as polling locations only if there is no alcohol sales or service occurring while polls are open.

8. **[AB 2210 \(Quirk, Chapter 391, Statutes of 2022\)](#) Cannabis: state temporary event licenses: venues licensed by the Department of Alcoholic Beverage Control: unsold inventory.**

Amends Section 26200 of the Business and Professions Code, relating to cannabis. **(Effective January 1, 2023)**

Summary of Code Section Changes - This bill prohibits the Department of Cannabis Control from denying an application for a state temporary cannabis event license solely on the basis that the location possesses a license issued by the Department of Alcoholic Beverage Control. This bill also prohibits the Department of Alcoholic Beverage Control from taking disciplinary action against one of its licensees on the basis of a state temporary cannabis event license being issued for a premises that utilizes the same premises as the one licensed by ABC. This bill requires that all on-sale and off-sale privileges of alcoholic beverages at the venue must be suspended for the entire day of the event and may not resume until 6:00 a.m. the day after the event has ended. This bill further provides that alcohol consumption on the venue premises must be strictly prohibited for the entire day of the event and may not resume until 6:00 a.m. the day after the event has ended. This bill contains other provisions relating to temporary cannabis events.

9. **[AB 2301 \(Wood, Chapter 961, Statutes of 2022\)](#) Alcoholic beverage sales: beer manufacturers: licensed premises.**

Amends Section 25503.28 of the Business and Professions Code, relating to alcoholic beverages. **(Effective January 1, 2023)**

Summary of Code Section Changes - This bill authorizes beer manufacturers to self-distribute beer they produce to on-sale retail licensed locations they operate that are located within a five-mile radius of their premises of production, as specified.

10. **[AB 2303 \(Aguilar-Curry, Chapter 694, Statutes of 2022\)](#) Agave spirits: labeling.**

Adds Section 25179 to the Business and Professions Code, relating to alcoholic beverages. **(Effective January 1, 2023)**

Summary of Code Section Changes - This bill prohibits the use of the phrase "California agave spirits", or substantially similar descriptions, on an agave spirits label unless the spirits are produced entirely from agave grown in California and do not contain flavoring or color additives. This does not, however, preclude the use of the word "California" on the label to describe the location of the distillery. This bill authorizes ABC to seize agave spirits labeled in violation of this bill and to dispose of them in compliance with

11. **[AB 2307 \(Berman, Chapter 962, Statutes of 2022\)](#) Alcoholic beverages: beer manufacturers: branch offices.**

Amends Sections 23389 and 25503.28 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill 1) increases the number of authorized beer manufacturer branch office locations, from six to eight, and increases the number of those branch offices that may be restaurants, from two to four; 2) requires beer manufacturers to have held their sixth branch office license for a minimum of one year before being eligible to receive the seventh or eighth license; 3) maintains the current cap that restricts beer manufacturers to operating no more than six on-sale licenses (for example, beer manufacturers may possess retail privileges at no more than 8 locations, provided that no more than six of which may be on-sale retail licenses, like a type 41 or 47); and 4) removes the requirement that a beer manufacturer branch office must purchase beer and wine from a licensed wholesaler that is not owned by the beer manufacturer.

12. **[AB 2921 \(Santiago, Chapter 294, Statutes of 2022\)](#) Alcoholic beverages.**

Amends Sections 23086 and 25503.24 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill modifies the deadline for the Alcoholic Beverage Control Appeals Board to issue a determination after the filing of an appeal by requiring its completion 60 days after an appeal is submitted for decision rather than 60 days after the filing of an appeal. This bill also makes minor technical changes to existing law regarding licensees who conduct market research, including specifying that surveys, as stated, are to gather feedback.

13. **[AB 2971 \(Committee on Governmental Organization, Chapter 296, Statutes of 2022\)](#) Alcoholic beverage control: fees.**

Amends Sections 23320, 23399.52, 24045.78, 24072, 24079, 25600.05, and 25600.5 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill makes technical amendments to the ABC Act that 1) codifies the license designation (type 99) established by the Department to track rare, one-off licenses created by the Legislature; 2) eliminates duplicative licensing fees in several instances where multiple fees are charged for the same investigation; 3) resolves several erroneous referenced code sections; 4) extends the sunset date until January 1, 2028 applicable to invitation-only event authorizations pursuant to Business and Professions Code Section 25600.5; and 5) extends the sunset date until January 1, 2026 applicable to provisions of law allowing beer manufacturers to gift glassware to retailers.

14. **SB 298 (Dodd, Chapter 980, Statutes of 2022) Brewpub-restaurant licenses: bona fide public eating place license.**

Adds Section 24072.3 to the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill allows anyone who has held a brewpub-restaurant license as of December 31, 2019 to exchange the license for a bona fide public eating place license. The exchange would be authorized at any time upon the approval of the Department, provided the following:

- 1) Payment of a \$100 exchange fee (the fee may be adjusted annually by the Department pursuant to subdivisions (d) and (e) of Section 23320).
- 2) Payment of the fee required for a new permanent license for an on-sale general eating place.
- 3) Compliance with statutory and regulatory licensing requirements.

Licenses issued pursuant to this bill may be designated as an “on-sale general license for special use” and shall not count towards the cap on on-sale general licenses available under Sections 23816 and 23821. Any license exchanged pursuant to this bill would be prohibited from being sold or transferred for a price greater than the fee paid by the seller or transferor.

15. **SB 793 (Wiener, Chapter 468, Statutes of 2022) Alcoholic beverages: music venue licenses.**

Amends Section 23320 of, and adds Article 7 (commencing with Section 23550) to Chapter 3 of Division 9 of, the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill establishes a “music venue license” (designated as a type 90 license) to be issued by the Department to a music entertainment facility that may be open to all ages and provide alcoholic beverage service only to adults, including beer, wine, and distilled spirits. Alcoholic beverages may only be consumed on the premises during the time period from two hours before a live performance at the venue until one hour after the live performance. This bill establishes fees in connection with the license and creates a license exchange program that allows a type 47 or type 48 license to be exchanged for a type 90 license.

16. **SB 1011 (Committee on Governmental Organization, Chapter 136, Statutes of 2022) Alcoholic beverages.**

Amends Sections 23826.13, 24045.6, 24048, and 24300 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill 1) authorizes the Department to conduct its licensing and enforcement hearings electronically, as specified; 2) authorizes the Department to send its license renewal and cancellation notices electronically; 3) allows license reinstatement fees to be paid using electronic payment methods; 4) clarifies that licenses issued to those in specified census tracts apply to the districts corresponding to the 2010 census; and 5) increases the cap on permits, from three to four, for special temporary licenses that may be issued annually to a nonprofit tax-exempt organization pursuant to Business and Professions Code Section 24045.6.

17. **SB 1013 (Atkins, Chapter 610, Statutes of 2022) Beverage container recycling.**

Amends Section 23661.3 of the Business and Professions Code, and amends Sections 14509.4, 14510, 14547, 14549.1, 14549.2, 14550, 14560, 14560.5, 14561, 14571.5, 14571.8, 14575, 14581, and 14591.1 of, and amends and repeals Section 14571.6 of, and amends, repeals, and adds Sections 14504, 14528.5, 14570, 14571.9, and 14572.1 of, and adds Sections 14510.2, 14537.1, 14543, 14544, and 14545 to, and adds Chapter 6.5 (commencing with Section 14578) to Division 12.1 of, and adds and repeals Section 14549.7 of, the Public Resources Code, relating to recycling, and makes an appropriation therefor. (Effective January 1, 2024 or dates as otherwise specified)

Summary of Code Section Changes - This bill adds wine and distilled spirits to the California Beverage Container Recycling and Litter Reduction Act (Bottle Bill) commencing January 1, 2024. This bill, among other provisions, requires wine direct shipper permitholders to register with CalRecycle as a beverage

manufacturer and distributor and requires wine direct shipper permit holders to comply with the Bottle Bill, including the reporting and payment provisions applicable to the permit holder as a beverage manufacturer and distributor. If a permit holder fails to comply with Section 14560 or 14575 of the Public Resources Code, ABC may suspend or revoke the wine direct shipper permit.

18. **[SB 1280 \(Hueso, Chapter 304, Statutes of 2022\)](#) Tied-house restrictions: advertising: San Diego State University.**

Amends Section 25503.6 of the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately. (Effective September 13, 2022)

Summary of Code Section Changes - This urgency bill establishes a tied-house exception that allows alcohol manufacturers (including beer manufacturers, winegrowers, rectifiers, craft distillers, distilled spirits manufacturers or their agents) to purchase advertising space at five distinct stadiums and facilities located on the University campus. The tied-house exception established by this bill is subject to the existing requirements applicable to other exceptions as identified in Business and Professions Code Section 25503.6.

19. **[SB 1370 \(Pan, Chapter 732, Statutes of 2022\)](#) Alcoholic beverages: licensees.**

Amends Sections 23039 and 24045.7 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill makes nonprofit radio broadcasting companies eligible for a type 64 license, subject to the same licensing fees as nonprofit theater companies. Similar to nonprofit theater companies, a nonprofit radio broadcasting company is not considered a public premises (it is open to all ages), may sell alcoholic beverages to ticketholders only two hours before, during, and one hour after a bona fide performance, and the license is only for a single specified premises. This bill also expands a current provision in law which creates an exception to tied-house restrictions, by permitting certain licensees to serve on the board of trustees of a nonprofit theater company operating in the County of Napa, the City of Livermore, or the City of Modesto to also include a nonprofit radio broadcasting company and expands the list of cities to include the City of Sacramento.

20. **SB 1452 (Dahle, Chapter 889, Statutes of 2022) Alcoholic beverages: licenses: Counties of El Dorado and Shasta.**

Adds Sections 23826.16 and 23826.17 to the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2023)

Summary of Code Section Changes - This bill authorizes ABC to issue 10 additional new type 47 licenses in Shasta County and 10 additional new type 47 licenses in El Dorado County. The bill stipulates that while 10 additional licenses will be authorized for each county, no more than four of these licenses may be issued per year per county. These licenses would be subject to section 23961, meaning if there are more applicants than available licenses they will be subject to priority drawing. Licenses issued pursuant to this bill may not be transferred to another county nor shall they be transferred to any premises not qualify under the parameters of the bill. Further, such licenses may not be sold or transferred for a price greater than the original fee paid by the seller or transferer. ABC may designate these licenses as on-sale general for special use.