

**Department of
Alcoholic Beverage Control**

FINAL STATEMENT OF REASONS

**PROPOSED ADOPTION OF REGULATIONS FOR
ADMINISTRATION OF MUSIC VENUE LICENSES**

PROPOSED ADOPTIONS TO TITLE 4, ARTICLE 11:

SECTION 71.

UPDATE OF INITIAL STATEMENT OF REASONS

The Department has no changes to the Initial Statement of Reasons noticed on April 7, 2023.

UPDATED INFORMATIVE DIGEST

There have been no changes in applicable laws as described in the Notice of Proposed Action. Thus, the Department has no changes to the Informative Digest/Policy Statement Overview noticed on April 7, 2023.

This addition to the Department of Alcoholic Beverage Control (ABC) regulations implements the provisions of Senate Bill No. 793 (Wiener, Chapter 468, Statutes of 2022), which creates a new Music Venue License under the administration of ABC. SB 793 amended Section 23320 and added Article 7 (commencing with Section 23550) to Chapter 3 of Division 9, of the Business and Professions Code. This new statutory scheme, which was signed by Governor Newsom on September 22, 2022, became effective on January 1, 2023. Additional clarity and specificity are required for ABC staff to perform the legislatively mandated tasks of processing, approving, and regulating music venue licenses. The language of the new statute is in part vague and additional clarity, including by defining key terms, would support the issuance and administration of new music venue licenses.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE COMMENT PERIOD OF APRIL 7 , 2023, THROUGH MAY 23, 2023.

The Department received no written comments during the comment period for this proposed regulation. There were no changes to the proposed text except those outlined in the Initial Statement of Reasons published with the Notice on April 7, 2023.

ALTERNATIVES DETERMINATION

ABC has determined that no reasonable alternative considered by ABC, or that has otherwise been identified and brought to the attention of ABC, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

LOCAL MANDATE DETERMINATION

This regulatory package creates no new duties or regulatory mandates for licensees, local governments, or ABC.

ADDITIONAL DOCUMENTS OR INFORMATION IN THE RULEMAKING FILE

The Department of Alcoholic Beverage Control did not add any other documents or information to the rulemaking file.

JUSTIFICATION FOR PROPOSED REGULATION BEING EFFECTIVE ON FILING WITH THE SECRETARY OF STATE

The Department requests that the regulation be effective upon filing with the Secretary of State to create overlap between the Department's emergency regulation and the effective date of the proposed regulation. This will ensure that the regulatory scheme created to implement the provisions of Senate Bill No. 793 (Wiener, Chapter 468, Statutes of 2022) does not have a gap for applications received or approved during a time awaiting the effective date of the proposed regulation. In addition, the Department has already received multiple applications for music venues licenses under the emergency regulation. By making this regulation effective upon filing with the Secretary of State, the Department will be able to continue to review and process these pending applications in an efficient and timely manner.