

ISSUANCE OF ORIGINAL SPECIAL LEGISLATION PRIORITY ON-SALE GENERAL LICENSES

Instructions: Please read this entire form before filing your application.

INTRODUCTION:

Business and Professions Code (BPC) § 23826.20 authorizes the Department to issue up to four (4) new original special legislation on-sale general licenses in the counties of El Dorado and Placer, until a total of ten (10) new licenses authorized by this section are issued in the specified counties. In issuing these licenses, the statute requires that the department utilize its established procedures for issuing original general licenses, as set forth in BPC § 23961. Special legislation priority on-sale general licenses are required to be operated as bona fide eating place in compliance with BPC § 23038 and shall be located in a retail center. In addition, special legislation on-sale general licenses are non-transferrable to any other premises not qualified under paragraphs (a) to (b) or to another location outside the county listed in paragraph (b)(1) of BPC § 23826.20.

APPLICATION FILING PERIOD:

During the period of **September 8, 2025, through September 19, 2025**, ABC offices will accept applications for new original special legislation on-sale general licenses in El Dorado and Placer Counties.

APPLICATION FEES: \$19,315

The priority application fee must be paid by certified check, cashier's check, or money order only. Additional fees (i.e., fingerprint, annual fees, etc.) are to be collected at the time of filing the formal application.

Unsuccessful drawing participants or those who withdraw their interest in a priority license prior to the drawing or prior to filing a formal application, may request a full refund, minus a \$100 service charge.

Refunds will be made payable to the applicant(s) listed on the priority application form submitted to the department.

Successful participants who withdraw their interest after filing a formal application for a priority license will be entitled to a refund in accordance with Business and Professions Code (BPC) § 23320 and 23959. Pursuant to the provisions of § 12419.5 of the Government Code, if an applicant owes money to California taxing agencies, a claim against the priority application fee may be made by the taxing agency. If such a claim is made, the amount owed will be deducted from the priority application fee at the time of refund and remitted to the taxing agency.

NAME(S) ON APPLICATION:

The application for a priority license must include the names of **all** persons or entities who have an ownership interest in the priority application or in the business to be licensed per [§ 69.2](#), of Chapter 1, Title 4, of the California Code of Regulations. *Failure to list all persons/entities is grounds for disqualification and loss of priority status.*

Any priority license application received by ABC that is incomplete or untimely shall be disqualified.

RESIDENCY:

To be eligible to participate in a drawing for original special legislation on-sale general license, an applicant must have been a resident of California for at least 90 days prior to the date of the drawing. If a drawing is necessary, an applicant for a priority license will be required to prove residency via submission of the below described documents:

- Individuals — Proof of residency can be established via documents such as a California Driver License, utility bills, voter registration, etc.
- Partnerships — Each partner must provide proof of residency; see information under “Individuals”, above.
- Corporations — The 90-day residence begins with the date its Articles of Incorporation are filed with the Secretary of State. For out-of-state corporations, the 90-day residency begins with the date registered with the Secretary of State to do business in California.
- Limited Partnerships — The 90-day residency begins with the date the form LP-1 is filed with the Secretary of State. For out-of-state limited partnerships, the 90-day residency begins with the date registered with the Secretary of State to do business in California.
- Limited Liability Companies — The 90-day residency begins with the date the form LLC-1 is filed with the Secretary of State. For out-of-state limited liability companies, the 90-day residency begins with the date registered with the Secretary of State to do business in California.
- Trusts — Proof of residency can be established via documents such as a California Driver License, utility bills, voter registration, etc. of the trustee or other controlling person of the trust. If trustee or other controlling person of the trust is a general partnership, limited partnership, corporation, non-profit, or limited liability company, proof of 90-day residency begins with the date registered with the Secretary of State.

Failure to provide proof of residency as described above will result in being disqualified from the priority licensing process.

FILING THE PRIORITY APPLICATION:

Applications may be filed in person by going to the ABC Sacramento District Office, located at 2400 Del Paso Rd, Suite 155, Sacramento, CA 95834 or by mail to that address or any other ABC office. During the drawing period, ABC offices will be open Monday through Friday from 8:00 a.m. until 5:00 p.m. We encourage all applicants to submit their application early.

Deadline:

- In person: On **Friday, September 19, 2025**, only those applicants within the doors of an ABC office by 5:00 p.m. may file priority applications.
- By mail: Your envelope containing Items (1) through (2) below must be **postmarked on or before Friday, September 19, 2025**.

The following items are required:

- (1) Fee - certified check, cashier's check, or money order, payable to: Alcoholic Beverage Control.

- (2) Original Special Legislation On-sale General License Application – To be completed in *full* by all applicants, including previously qualified ‘P-12’ licensees. **For example, simply noting “P12 licensee” under the officer/shareholder area will not be accepted. P-12 licensees and current/active licensees are not exempt from thoroughly completing the application. An incomplete application will result in disqualification from participating in the priority drawing.** The application requires a single signature from the applicant entity. In signing, the applicant agrees to comply with conditions and requirements unique to the original special legislation on-sale general license application process. Failure to comply with the conditions and requirements may result in automatic withdrawal of the application and cancellation of an applicant’s drawing position.

The ABC-523 form must be completed for every priority license application. If the applicant entity is not a sole owner, then you must also complete the appropriate attachment for your entity type in addition to your ABC-523 form.

- ABC-523-ATT-B (General Partnership) – For multiple individuals, multiple corporate entities, or a combination of the two, such as an individual partnering with a corporate entity, applying for a license.
- ABC-523-ATT-C (Limited Partnership) – For a limited partnership with general partners and limited partners applying for a license.
- ABC-523-ATT-D (Corporations and Non-Profits) – For a corporation with officers/directors and stockholders, and non-profit organizations applying for a license.
- ABC-523-ATT-E (Limited Liability Company) – For a limited liability company with managers and/or members applying for a license.
- ABC-523-ATT-F (Trusts) – For a trust with all controlling individuals, trustees, and beneficiaries applying for a license.

CONDITIONS AND RESTRICTIONS:

Applicant:

To qualify for a license under section BPC 23826.20, the premises upon which an original special legislation on-sale general bona fide public eating place is operated shall be located in a retail center. For purposes of this section, “retail center” means a multitenant shopping center that contains at least 300,000 square feet of retail shopping space open to the public. The department shall issue at least three of the licenses authorized by this section, per counties listed in subsection (b)(1), for a premises located in a retail center that contains at least 1,000,000 square feet of retail shopping space open to the public.

A licensee that holds an on-sale general license for a bona fide public eating place that is in a retail center shall not be eligible to apply for a license under this section for the same licensed premises.

Applicants can have no interest in any other special legislation priority application authorized under BPC 23826.20 for the same county (excluding regular priority applications).

- Applicants may not pool funds to file more than one priority application for the same type of license and transaction.
- A married couple may file only one original special legislation on-sale general license application.

- No corporation, limited partnership or limited liability company may file an original special legislation on-sale general license application if it holds the interest in another entity that has filed for the same type of license.
- If more than one corporation, limited partnership or limited liability company is a subsidiary of the same parent, only one may file an original special legislation on-sale general license application.
- A person or entity who holds ownership interest in an original special legislation on-sale general license applicant entity, or who is a principal (officer, director, LLC manager, general partner, etc.) of an applicant entity, may not hold interest in or be a principal of another applicant entity for the same type of license.

Each original special legislation on-sale general license application must show the names of all persons having an interest in the license application and related business, including **all**:

- Partners
- General and limited partners of a Limited Partnership
- Corporate officers and directors
- Stockholders or prospective stockholders
- Limited liability company officers, managers, and members
- Controlling individuals, trustees, and beneficiaries of a Trust

PRIORITY OF APPLICANTS

If the number of applicants is equal to or less than the number of original special legislation on-sale general licenses available, all applicants will be notified that they have 90 days to complete a formal application for their specific premises in the identified, authorized census tracts.

If there are more applicants than an original special legislation on-sale general licenses available, a public drawing will be held; the time, date, and place of any drawing will be posted on the department's website (www.abc.ca.gov). After the drawing is held, the department will notify each applicant by mail of their position in the drawing.

Successful Drawing Participants:

- A successful drawing participant is one whose priority position (number) is lower than the number of licenses available. These applicants will be notified that they have 90 days to complete a formal application for their specific premises in an identified, authorized census tract. Completion of all standard application forms for an original retail license is required.
- A successful applicant who holds an on-sale general license may not make formal application for an original special legislation on-sale general license at the premises where that on-sale general license is held. Any existing on-sale license held at an applicant premises must be canceled upon issuance of an original special legislation on-sale general license.
- Successful drawing participants who do not wish to proceed with filing a formal application may withdraw their interest and request a full refund, minus a \$100 service charge. Once a formal application has been filed, the applicant will only be entitled to a refund in accordance with BPC § 23320 & 23959. (Also, see Application Fees [page 1] regarding claims by California taxing agencies).

Unsuccessful Drawing Participants:

- An unsuccessful drawing participant is one whose priority position (number) is higher than the number of licenses available.
- The original special legislation on-sale general license application fee, minus a \$100 service charge, will be refunded to each unsuccessful drawing participant. Refund checks will be mailed within 90-120 days of the priority drawing (See Application Fees [page 1] regarding claims by California taxing agencies).
- Unsuccessful drawing participants will maintain the priority position assigned to them at the drawing. In the event a successful applicant is disqualified or withdraws, the next drawing participant in order of position will be contacted and will have 30 days to repay the previously refunded priority application fee, and an additional 60 days to file a formal application.
- In order to maintain priority position, unsuccessful drawing participants are encouraged to notify ABC of any change in mailing address that occurs while the drawing list is active.

Expiration of Priority: The numeric list of original special legislation on-sale general license applicants who are not winners in the randomized ordering shall be retained by the department until the following year pursuant to Chapter 1, Title 4 of the California Code of Regulations (CCR) § 69.3 (c).

FORMAL APPLICATION FOR PRIORITY LICENSE:

A priority applicant must file a formal application for a specific location within 90 days of the Department's notification and authorization to do so. Failure to file a formal application within the 90-day period will result in loss of priority position and the opportunity to apply will be extended to the next applicant on the list. In addition to the below, all statutory requirements and Departmental procedures set forth for issuing other original retail licenses apply to formal applications for priority licenses.

A priority winner can only submit a formal application with the same individuals and entities listed in its priority application unless it is under the exceptions listed in subdivision (e)(1) and (e)(2) of § 69.4 of Chapter 1, Title 4, of the California Code of Regulations. Any changes in ownership or management that occur within an applicant entity between the time of filing a priority application and actual issuance of a priority license which results in the entity, via its principals or owners, having more than one opportunity in a single priority drawing, will be cause for disqualification.

Proof of Tenancy:

Prior to license issuance, a priority applicant must present proof of a two-year right of tenancy (rental agreement, lease, grant deed, etc.) at the applied-for premises. As the required two-year tenancy requirement starts when the license issues and there is no guarantee that a license will be granted, it is suggested that any financial agreements be contingent upon actual issuance of the priority license.

Premises:

At the time of filing formal application, a new original special legislation on-sale general license priority applicant must be:

- (1) A bona fide public eating place as defined by BPC § 23038; and
- (2) A retail center as defined by BPC § 23826.20

Once formal application for a priority license has been made, no change in the location of the applied-for license will be permitted after the expiration of the 90-day period in which the priority application must be filed, except for causes beyond the control of the applicant and with approval of the ABC Director.

In any case involving the denial of a priority license application, the applicant's priority position will be canceled, and the fee refunded.

For a Period of Two (2) Years After Issuance of the Special Legislation On-Sale General License:

- The license shall not be transferable from the licensee to any other person except as provided in BPC § 24071, and only when the Department determines that the transfer is necessary to prevent undue hardship.
- The licensee shall not, directly or indirectly, enter into any negotiations or agreements respecting the sale or transfer of the license, unless the Department has determined that undue hardship exists.
- If an undue hardship transfer is authorized by the Department, an original priority license may not be sold for more than the original fee paid for the license.
- Certain changes in ownership and interest within an entity holding a priority license are allowed before the above-described time periods elapse. For instance, a corporation holding an original priority license may appoint new directors, elect new officers and transfer less than 50% of its outstanding stock within two years of license issuance. However, a change in ownership/interest in such a licensed entity *may not* result in a person who had ownership/interest in another priority application for the same type of license and transaction, within the same county and year, obtaining ownership/interest in the licensed entity. If this occurs, the license will be subject to administrative action which could result in its revocation.
- The license shall not be exchanged for a public premises license.

AFTER ISSUANCE OF ORIGINAL SPECIAL LEGISLATION ON-SALE GENERAL LICENSES:

- Original special legislation on-sale general licenses are restricted from being transferred to any other premises not qualified under paragraphs (a) and (b) of BPC § 23826.20. There is an exception when the licensed premises have been destroyed by fire or any act of God or other force beyond the control of the licensee (see BPC § 24081). Additionally, original special legislation on-sale general licenses are restricted from being transferred to any other county and from being exchanged for a public premises license.
- If an original special legislation on-sale general license is canceled, the department is authorized to issue an additional original special legislation on-sale general license pursuant to the above-described drawing and application procedures.

ELIGIBLE COUNTIES:

This year, the following counties will be eligible for additional original special legislation on-sale general licenses, as follows:

County	Original (New) Special Legislation On-Sale
El Dorado	4
Placer	4