

AMENDED IN SENATE MARCH 15, 2010

SENATE BILL

No. 1022

Introduced by Senator Strickland

February 11, 2010

An act to amend Section 25503.9 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 1022, as amended, Strickland. Alcoholic beverages: licensees: donations.

The Alcoholic Beverage Control Act provides that nothing in that law prohibits a winegrower *or a beer and wine wholesaler* from giving or selling wine, *a beer manufacturer from giving or selling beer, a distilled spirits manufacturer or its agent from giving or selling distilled spirits, or a licensed importer from giving or selling beer, wine, or distilled spirits* to certain nonprofit organizations, as specified, at prices other than those contained in schedules filed with the Department of Alcoholic Beverage Control.

This bill would ~~make a technical, nonsubstantive change to this provision~~ *expand the prohibition exemption to allow rectifiers to give or sell beer to certain nonprofit organizations, as specified.*

The Alcoholic Beverage Control Act provides that a violation of its provisions is a misdemeanor, unless otherwise specified. This bill, by changing the definition of an existing crime, imposes a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
 State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 25503.9 of the Business and Professions
 2 Code is amended to read:
 3 25503.9. (a) Nothing in this division prohibits a winegrower
 4 or a beer and wine wholesaler that also holds an off-sale beer and
 5 wine retail license and only sells wine from giving or selling wine,
 6 a beer manufacturer from giving or selling beer, a distilled spirits
 7 ~~manufacturer~~ *manufacturer, rectifier*, or a distilled spirits
 8 manufacturer’s agent from giving or selling distilled spirits, or an
 9 importer general licensee from giving or selling beer, wine, or
 10 distilled spirits at prices other than those contained in schedules
 11 filed with the department, to any of the following:
 12 (1) A nonprofit charitable corporation or association exempt
 13 from payment of income taxes under the provisions of the Internal
 14 Revenue Code of the United States and Chapter 4 (commencing
 15 with Section 23701) of Part 11 of Division 2 of the Revenue and
 16 Taxation Code.
 17 (2) A nonprofit incorporated trade association that is exempt
 18 from payment of income taxes under the provisions of the Internal
 19 Revenue Code of the United States and Chapter 4 (commencing
 20 with Section 23701) of Part 11 of Division 2 of the Revenue and
 21 Taxation Code, and the members of which trade association are
 22 licensed under this division. However, the wine, beer, and distilled
 23 spirits shall be used solely for a convention or meeting of the
 24 nonprofit incorporated trade association.
 25 (3) A nonprofit corporation or association that is exempt from
 26 payment of income taxes under the provisions of the Internal
 27 Revenue Code of the United States and is defined as a tax exempt
 28 organization under Section 23701a, 23701b, 23701d, 23701e,
 29 23701f, 23701g, 23701i, 23701k, 23701l, 23701r, or 23701w of
 30 the Revenue and Taxation Code. Wine, beer, and distilled spirits
 31 given or sold by a winegrower, beer manufacturer, distilled spirits
 32 manufacturer, distilled spirits manufacturer’s agent, or importer
 33 general licensee pursuant to this subdivision may be furnished

1 only in connection with public service or fundraising activities
2 including picnics, parades, fairs, amateur sporting events,
3 agricultural exhibitions, or similar events.

4 (b) Nothing in this division prohibits a winegrower or a beer
5 and wine wholesaler that also holds an off-sale beer and wine retail
6 license and only sells wine from giving or selling wine, a beer
7 manufacturer from giving or selling beer, a distilled spirits
8 ~~manufacturer~~ *manufacturer, rectifier*, or a distilled spirits
9 manufacturer's agent from giving or selling distilled spirits, or a
10 beer and wine wholesaler that also holds an importer's license
11 from giving or selling beer, wine, or distilled spirits at prices other
12 than those contained in schedules filed with the department, to any
13 of the following:

14 (1) A nonprofit charitable corporation or association exempt
15 from payment of income taxes under the provisions of the Internal
16 Revenue Code of the United States and Chapter 4 (commencing
17 with Section 23701) of Part 11 of Division 2 of the Revenue and
18 Taxation Code.

19 (2) A nonprofit incorporated trade association that is exempt
20 from payment of income taxes under the provisions of the Internal
21 Revenue Code of the United States and Chapter 4 (commencing
22 with Section 23701) of Part 11 of Division 2 of the Revenue and
23 Taxation Code, and the members of which trade association are
24 licensed under this division. However, the wine, beer, and distilled
25 spirits shall be used solely for a convention or meeting of the
26 nonprofit incorporated trade association.

27 (3) A nonprofit corporation or association that is exempt from
28 payment of income taxes under the provisions of the Internal
29 Revenue Code of the United States and is defined as a tax exempt
30 organization under Section 23701a, 23701d, 23701e, 23701f, or
31 23701r of the Revenue and Taxation Code. Wine, beer, and
32 distilled spirits given or sold by a winegrower, beer manufacturer,
33 distilled spirits manufacturer, distilled spirits manufacturer's agent,
34 or licensed importer pursuant to this subdivision may be furnished
35 only in connection with public service or fundraising activities
36 including picnics, parades, fairs, amateur sporting events,
37 agricultural exhibitions, or similar events.

38 *SEC. 2. No reimbursement is required by this act pursuant to*
39 *Section 6 of Article XIII B of the California Constitution because*
40 *the only costs that may be incurred by a local agency or school*

1 *district will be incurred because this act creates a new crime or*
 2 *infraction, eliminates a crime or infraction, or changes the penalty*
 3 *for a crime or infraction, within the meaning of Section 17556 of*
 4 *the Government Code, or changes the definition of a crime within*
 5 *the meaning of Section 6 of Article XIII B of the California*
 6 *Constitution.*

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9 **CORRECTIONS:**

10 **Text—Page 2.**

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