

**Introduced by Senator Hancock**February 17, 2010

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An act to amend Section 23363 of the Business and Professions Code, relating to alcoholic beverages.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1068, as introduced, Hancock. Alcoholic beverage control: licensees: distilled spirits manufacturers.

The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control, including a distilled spirits manufacturer's license and a brandy manufacturer's license. Existing law authorizes each of those licensees to conduct specified activities within the state.

This bill would authorize a licensed distilled spirits manufacturer that distills fewer than 50,000 gallons of spirit annually to exercise the rights and privileges authorized by a brandy manufacturer's license.

The Alcoholic Beverage Control Act provides that a violation of its provisions is a misdemeanor, unless otherwise specified.

This bill, by including provisions that would be subject to those existing criminal sanctions, would impose 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: yes.  
State-mandated local program: yes.

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

1 SECTION 1. Section 23363 of the Business and Professions  
2 Code is amended to read:  
3 23363. (a) Any licensed manufacturer of distilled spirits  
4 originally distilled in this State may sell them to any person holding  
5 a license authorizing the sale of distilled spirits.  
6 (b) This section shall not apply to distilled spirits manufacturer  
7 licenses issued after the effective date of the amendment of this  
8 section enacted at the 1959 Regular Session of the Legislature,  
9 and this section shall not apply to manufacturers of distilled spirits  
10 who have not regularly and continuously exercised the privileges  
11 of this section by sales to retail licensees.  
12 (c) In addition to the rights and privileges granted by this section,  
13 any person holding a distilled spirits manufacturer license ~~may~~  
14 ~~sell brandy to any person holding a license authorizing the sale of~~  
15 ~~brandy.~~ *may:*  
16 (1) *Sell brandy to any person holding a license authorizing the*  
17 *sale of brandy.*  
18 (2) *Exercise the rights and privileges of a holder of a brandy*  
19 *manufacturer license, if the person holding a distilled spirits*  
20 *manufacturer license distills fewer than 50,000 gallons of spirits*  
21 *annually.*  
22 SEC. 2. No reimbursement is required by this act pursuant to  
23 Section 6 of Article XIII B of the California Constitution because  
24 the only costs that may be incurred by a local agency or school  
25 district will be incurred because this act creates a new crime or  
26 infraction, eliminates a crime or infraction, or changes the penalty  
27 for a crime or infraction, within the meaning of Section 17556 of  
28 the Government Code, or changes the definition of a crime within  
29 the meaning of Section 6 of Article XIII B of the California  
30 Constitution.

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