

ASSEMBLY BILL

No. 2184

Introduced by Assembly Member Hall

February 23, 2012

An act to amend Section 25502 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 2184, as introduced, Hall. Alcoholic beverages: tied-house restrictions.

Existing law, known as tied-house restrictions, prohibits specified licensees from furnishing, giving, or lending money or other thing of value, directly or indirectly, to a person engaged in operating, owning, or maintaining an off-sale licensed premises.

This bill would provide that the autographing of a bottle or bottles of distilled spirits at a promotional event conducted at an off-sale licensed retail premises by a person who holds an ownership interest in that distilled spirits brand is not a thing of value.

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

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

- 1 SECTION 1. Section 25502 of the Business and Professions
- 2 Code is amended to read:
- 3 25502. (a) No manufacturer, winegrower, manufacturer's
- 4 agent, California winegrower's agent, rectifier, distiller, bottler,
- 5 importer, or wholesaler, or any officer, director, or agent of any
- 6 such person, shall, except as authorized by this division:

- 1 (1) Hold the ownership, directly or indirectly, of any interest in
2 an off-sale license.
- 3 (2) (A) Furnish, give, or lend any money or other thing of value,
4 directly or indirectly, to, or guarantee the repayment of any loan
5 or the fulfillment of any financial obligation of, any person engaged
6 in operating, owning, or maintaining any off-sale licensed premises.
- 7 (B) *For purposes of this paragraph, the autographing of a bottle*
8 *or bottles of distilled spirits at a promotional event conducted at*
9 *an off-sale licensed retail premises by a person who holds an*
10 *ownership in that distilled spirits brand shall not be a thing of*
11 *value.*
- 12 (3) Own or control any interest, directly or indirectly, by stock
13 ownership, interlocking directors, or trusteeship, in the business,
14 furniture, fixtures, refrigeration equipment, signs, except signs for
15 interior use mentioned in subdivision (g) of Section 25503, or lease
16 in premises licensed with an off-sale license.
- 17 (4) Own or control any interest, directly or indirectly, by stock
18 ownership, interlocking directors, trusteeship, or mortgage of the
19 realty upon which an off-sale licensed premises is maintained.
- 20 (b) Any wholesaler in counties not to exceed 15,000 population
21 who holds both a beer and wine wholesaler’s license and an off-sale
22 general license and who held such licenses prior to September 19,
23 1947, may continue to hold such licenses but may not transfer the
24 beer and wine wholesaler’s license to another individual,
25 individuals, partnership, corporation or other legal entity. Where
26 the off-sale general license is transferred to an individual,
27 individuals, partnership, corporation or other legal entity, the
28 transfer shall be a person-to-person transfer only.
- 29 (c) Nothing in this section prohibits any holder of a distilled
30 spirits manufacturer’s, manufacturer’s agent’s, California
31 winegrower’s agent, rectifier’s, or wholesaler’s license, or any
32 officer, employee, or representative of any such licensee, from
33 acting as a trustee for any off-sale general licensee in any
34 bankruptcy or other proceedings for the benefit of the creditors of
35 the off-sale general licensee.
- 36 (d) Nothing in this section shall alter, change, or otherwise
37 affect, retroactively or prospectively, any of the rights or privileges
38 granted to a winegrower or brandy manufacturer by Section 23362,
39 or by any other provision of this division.

1 (e) This section does not apply to an employee of a licensee
2 referred to in subdivision (a) who is a nonadministrative and
3 nonsupervisory employee.

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