

ASSEMBLY BILL

No. 636

Introduced by Assembly Member Hall

February 20, 2013

An act to amend Section 25502.2 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 636, as introduced, Hall. Alcoholic beverages: tied-house restrictions.

(1) Existing law, known as tied-house restrictions, prohibits specified licensees from furnishing, giving, or lending money or other things of value, directly or indirectly, to a person engaged in operating, owning, or maintaining an off-sale licensed premises. Existing law permits, until January 1, 2015, the appearance of a person employed or engaged by an authorized licensee at a promotional event held at the premises of an off-sale retail licensee for the purposes of providing autographs, subject to specified conditions. Existing law generally prohibits a winegrower, a California winegrower's agent, importer, or other specified parties from providing a licensee alcoholic beverages as a free good as a part of any sale or transaction involving alcoholic beverages or furnishing anything of value to a licensee for specified purposes. Existing law excepts from this prohibition a winegrower, California winegrower's agent, importer, or other specified parties when conducting or participating in an instructional event for consumers held at a retailer's premises featuring wines produced by or for the winegrower or imported by the importer, subject to specified conditions. The Alcoholic Beverage Control Act provides that a violation of any of its

provisions for which another penalty or punishment is not specifically provided is a misdemeanor.

This bill would permit, until January 1, 2015, under specified conditions, the appearance of a person for the purpose of providing autographs at an instructional event for consumers that a winegrower, California winegrower’s agent, importer, or other specified parties conduct, or participate in, that is held at a retailer’s premises. The bill would expand the definition of an existing crime, thus imposing a state-mandated local program.

(2) 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 25502.2 of the Business and Professions
- 2 Code is amended to read:
- 3 25502.2. (a) A person employed or engaged by an authorized
- 4 licensee may appear at a promotional event at the premises of an
- 5 off-sale retail licensee, *or at an instructional event held at a*
- 6 *retailer’s premises pursuant to Section 25503.4*, for the ~~purposes~~
- 7 *purpose* of providing autographs to consumers at the promotional
- 8 event only under the following conditions:
- 9 (1) A purchase from the off-sale retail licensee is not required.
- 10 (2) A fee is not charged to attend the promotional event.
- 11 (3) Autographing may only be provided on consumer advertising
- 12 specialities given by the authorized licensee to a consumer or on
- 13 any item provided by the consumer.
- 14 (4) The promotional event does not exceed four hours in
- 15 duration.
- 16 (5) There are no more than two promotional events per calendar
- 17 year involving the same authorized licensee at a single premises
- 18 of an off-sale retail licensee.
- 19 (6) The off-sale retail licensee may advertise the promotional
- 20 event to be held at its licensed premises.

1 (7) An authorized licensee may advertise in advance of the
2 promotional event only in publications of the authorized licensee,
3 subject to the following conditions:

4 (A) The advertising only lists the name and address of the
5 off-sale retail licensee, the name of the alcoholic beverage product
6 being featured at the promotional event, and the time, date, and
7 location of the off-sale retail licensee location where the
8 promotional event is being held.

9 (B) The listing of the off-sale retail licensee’s name and address
10 is the only reference to the off-sale retail licensee in the
11 advertisement and is relatively inconspicuous in relation to the
12 advertisement as a whole, and the advertisement does not contain
13 any pictures or illustrations of the off-sale retail licensee’s premises
14 or laudatory references to the off-sale retail licensee.

15 (8) A wholesaler does not directly or indirectly underwrite,
16 share in, or contribute to any costs related to the promotional event,
17 except that a beer and wine wholesaler that holds at least six
18 distilled spirits wholesaler licenses may directly or indirectly
19 underwrite, share in, or contribute to any costs related to a
20 promotional event for which the wholesaler employs or engages
21 the person providing autographs to consumers at the promotional
22 event.

23 (9) The authorized licensee notifies the department in writing
24 of the promotional event at least 30 days in advance of the
25 promotional event.

26 (10) The authorized licensee maintains records necessary to
27 establish its compliance with this section.

28 (b) For purposes of this section, “authorized licensee” means a
29 manufacturer, winegrower, manufacturer’s agent, California
30 winegrower’s agent, rectifier, importer, brandy manufacturer,
31 brandy importer, or wholesaler.

32 (c) This section shall remain in effect only until January 1, 2016.

33 SEC. 2. No reimbursement is required by this act pursuant to
34 Section 6 of Article XIII B of the California Constitution because
35 the only costs that may be incurred by a local agency or school
36 district will be incurred because this act creates a new crime or
37 infraction, eliminates a crime or infraction, or changes the penalty
38 for a crime or infraction, within the meaning of Section 17556 of
39 the Government Code, or changes the definition of a crime within

- 1 the meaning of Section 6 of Article XIII B of the California
- 2 Constitution.

O