

Assembly Bill No. 933

Passed the Assembly September 10, 2013

Chief Clerk of the Assembly

Passed the Senate September 9, 2013

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 23363.1 of, and to add Section 23363.3 to, the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 933, Skinner. Distilled spirits manufacturers: licenses: tastings.

Existing law, the Alcoholic Beverage Control Act, authorizes a licensed distilled spirits manufacturer to conduct tastings of distilled spirits produced or bottled by, or produced or bottled for, the licensee, on the licensed premises, under specified conditions. Existing law generally prohibits a manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler from, among other things, giving or lending any money or other thing of value, directly or indirectly, to any person engaged in operating, owning, or maintaining any off-sale licensed premises. Existing law excepts from this prohibition the listing of names, addresses, telephone numbers, and email addresses, among other things, if specified conditions are met. Existing law provides that a violation of the act is a misdemeanor unless otherwise specified.

This bill would revise the conditions upon which a distilled spirits manufacturer may conduct tastings, authorize a licensed distilled spirits manufacturer to charge consumers for tastings on its licensed premises, and would impose additional conditions on the provision of tastings by the licensee on the licensed premises. The bill would include in these conditions that tastings of distilled spirits not exceed a specified amount and be limited to 6 tastes to be provided to an individual per day.

The bill would also extend the authorization to conduct tastings, as described above, to brandy manufacturers.

By expanding the definition of a crime, this bill 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.

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

SECTION 1. (a) The Legislature finds and declares that a tasting of distilled spirits or brandy is a presentation of samples of one or more distilled spirits or brandies, representing one or more distilled spirits or brandy manufacturers, to a group of consumers for the purpose of acquainting the tasters with the characteristics of the distilled spirits or brandy tasted.

(b) The Legislature also finds and declares that it is necessary and proper to require a separation between manufacturing interests, wholesale interests, and retail interests in the production and distribution of alcoholic beverages in order to prevent suppliers from dominating local markets through vertical integration and to prevent excessive sales of alcoholic beverages produced by overly aggressive marketing techniques. The Legislature further finds that the exceptions established by Sections 23363.1 and 23363.3 of the Business and Professions Code to the general prohibition against tied interests must be limited to their express terms so as not to undermine the general prohibition, and intends that these sections be construed accordingly.

SEC. 2. Section 23363.1 of the Business and Professions Code is amended to read:

23363.1. (a) A distilled spirits manufacturer's license authorizes the licensee to conduct tastings of distilled spirits produced or bottled by, or produced or bottled for, the licensee, on or off the licensee's premises.

(b) (1) Distilled spirits tastings may be conducted by the licensee off the licensee's premises only for an event sponsored by a nonprofit organization. A distilled spirits manufacturer shall not sell or solicit sales of distilled spirits at such event. The sponsoring organization shall first obtain a permit from the department.

(2) For purposes of this subdivision, "nonprofit organization" does not include any community college or other institution of higher learning, as defined in the Education Code, nor does it

include any officially recognized club, fraternity, or sorority, whether or not that entity is located on or off the institution's campus.

(c) Tastings on the licensee's premises shall be subject to the following conditions:

(1) Tastings of distilled spirits shall not exceed one-fourth of one ounce and shall be limited to no more than six tastes per individual per day.

(2) Tastings shall only include the products that are authorized to be produced or bottled by or for the licensee.

(3) A person under 21 years of age shall not serve tastes of distilled spirits.

(4) Tastings of distilled spirits shall not be given in the form of a cocktail or a mixed drink.

(d) Notwithstanding Section 25600, the licensee may provide distilled spirits without charge for any tastings conducted pursuant to this section. The licensee may charge for tastings conducted by the licensee on its licensed premises.

(e) This section shall not relieve the holder of a distilled spirits manufacturer's license of any civil or criminal liability arising out of a violation of Section 25602.

SEC. 3. Section 23363.3 is added to the Business and Professions Code, to read:

23363.3. (a) A brandy manufacturer's license authorizes the licensee to conduct tastings of brandy produced or bottled by, or produced or bottled for, the licensee, on or off the licensee's premises.

(b) (1) A brandy manufacturer shall not sell or solicit sales of brandy at the event. The sponsoring organization shall first obtain a permit from the department.

(2) For purposes of this subdivision, "nonprofit organization" does not include any community college or other institution of higher learning, as defined in the Education Code, nor does it include any officially recognized club, fraternity, or sorority, whether or not that entity is located on or off the institution's campus.

(c) Tastings on the licensee's premises shall be subject to the following conditions:

(1) Tastings of brandy shall not exceed one-fourth of one ounce and shall be limited to no more than six tastes per individual per day.

(2) Tastings shall only include the products that are authorized to be produced or bottled by or for the licensee.

(3) A person under 21 years of age shall not serve tastes of brandy.

(4) Tastings of brandy shall not be given in the form of a cocktail or a mixed drink.

(d) Notwithstanding Section 25600, the licensee may provide brandy without charge for any tastings conducted pursuant to this section. The licensee may charge for tastings conducted by the licensee on its licensed premises.

(e) This section shall not relieve the holder of a brandy manufacturer's license of any civil or criminal liability arising out of a violation of Section 25602.

SEC. 4. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved _____, 2013

Governor