

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2182**

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**Introduced by Assembly Member Beth Gaines**

February 20, 2014

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An act to amend Section ~~23399~~ 23399.6 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 2182, as amended, Beth Gaines. Alcoholic beverage control: ~~caterer's permits.~~ *winegrowers: wine sales event permits.*

The Alcoholic Beverage Control Act ~~provides for the issuance of licenses for which various annual fees are charged depending upon the type of license issued. The act authorizes the issuance of a caterer's permit, upon application to the Department of Alcoholic Beverage Control, to any licensee under an on-sale general license, an on-sale beer and wine license, a club license, or a veterans' club license authorizing the sale of alcoholic beverages at specified locations and events~~ *authorizes the issuance of a wine sales event permit to any licensee under a winegrower's license, which authorizes the sale of bottled wine produced by the winegrowers at specified events, and is valid for a maximum of 5 consecutive days during the event period.*

This bill would ~~make a nonsubstantive change to this provision~~ *provide that a wine sales event permit is valid for the entire duration of the event.*

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

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

1     **SECTION 1.** *Section 23399.6 of the Business and Professions*  
2 *Code is amended to read:*

3     23399.6. (a) Any licensee under a winegrower's license may  
4 apply to the department for a wine sales event permit. The wine  
5 sales event permit shall authorize the sale of bottled wine produced  
6 by the winegrower at festivals, state, county, district, or citrus fruit  
7 fairs, civic or cultural celebrations, or similar events approved by  
8 the department. The sale of the wine shall not be the primary  
9 purpose of the event, and the sale shall be for consumption off the  
10 premises where sold. The permit shall be valid for ~~a maximum of~~  
11 ~~five consecutive days during the event period~~ *the entire duration*  
12 *of the event.* The event shall be sponsored by an organization that  
13 is exempt from taxation under Section 23701a of the Revenue and  
14 Taxation Code, including state designated fairs as specified in  
15 Section 19418 of the Revenue and Taxation Code, or exempt from  
16 taxation under Section 23701b, 23701d, 23701e, 23701f, 23701g,  
17 23701i, 23701k, 23701l, 23701r, or 23701w of the Revenue and  
18 Taxation Code.

19     (b) A wine sales event permit may not be used more than two  
20 times a month at a particular location.

21     (c) Consent for sales at each event shall be first obtained by an  
22 annual authorization issued by the department. The applicant for  
23 the wine sales permit is required to notify the city, county, or city  
24 and county where the event is being held at least five days prior  
25 to the event. At all events, a copy of the wine sales permit shall  
26 be maintained. The licensee may exercise only those privileges  
27 authorized by the licensee's license and shall comply with all  
28 provisions of the act pertaining to that license, and any violation  
29 of those provisions may be grounds for suspension or revocation  
30 of the licensee's license or permit, or both, as though the violation  
31 occurred on the licensed premises.

32     (d) (1) A licensee may not sell more than 5,000 gallons of wine  
33 annually pursuant to wine sales event permits issued under this  
34 section to that licensee.

35     (2) A licensee holding a wine sales event permit may not sell  
36 more than 1,250 gallons of wine per event.

37     (3) A licensee that is eligible to receive a certified farmers'  
38 market sales permit under Section 23399.4 and a wine sales event

1 permit may not, under both permits collectively, sell more than a  
2 total of 5,000 gallons of wine annually.

3 (4) The licensee shall annually report to the department the total  
4 gallons of wine sold by that licensee under permits issued under  
5 this section to that licensee. The report may be included within the  
6 annual report of production submitted by the licensee to the  
7 department, or may be made in another manner as prescribed by  
8 the department in regulation.

9 (e) The sponsoring tax-exempt organization may charge a fee  
10 of the licensee for the licensee's use of display booth space. The  
11 fee, if paid, shall be comparable with, or less than, fees, or goods  
12 or services of equivalent value, paid by other vendors at the event  
13 for a similar booth size and location.

14 (f) The sponsoring tax-exempt organization shall allow the  
15 participation of more than one winegrower under a wine sales  
16 event permit at an event if public attendance at the event is  
17 expected to reach or exceed 1,000 attendees. The prior year's stated  
18 attendance for the event shall be used to determine the expected  
19 attendance.

20 (g) (1) The fee for the authorization to utilize a wine sales  
21 permit shall be fifty dollars (\$50) per year, and the authorization  
22 may be renewable annually at the time of the licensee's license.  
23 The wine sales permit authorization shall be transferable as part  
24 of the license.

25 (2) All money collected as fees pursuant to this subdivision  
26 shall be deposited in the Alcohol Beverage Control Fund, as  
27 described in Section 25761, for allocation, upon appropriation by  
28 the Legislature, as provided in subdivision (d) of that section.

29 (h) The department may adopt any regulations as it determines  
30 to be necessary for the administration of this section.

31 ~~SECTION 1. Section 23399 of the Business and Professions~~  
32 ~~Code is amended to read:~~

33 ~~23399. (a) An on-sale general license authorizes the sale of~~  
34 ~~beer, wine, and distilled spirits for consumption on the premises~~  
35 ~~where sold. Any licensee under an on-sale general license, an~~  
36 ~~on-sale beer and wine license, a club license, or a veterans' club~~  
37 ~~license may apply to the department for a caterer's permit. A~~  
38 ~~caterer's permit under an on-sale general license shall authorize~~  
39 ~~the sale of beer, wine, and distilled spirits for consumption at~~  
40 ~~conventions, picnics, social gatherings, sporting events, trade~~

1 exhibits, or similar events held any place in the state approved by  
2 the department. A caterer's permit under an on-sale beer and wine  
3 license shall authorize the sale of beer and wine for consumption  
4 at conventions, sporting events, trade exhibits, picnics, social  
5 gatherings, or similar events held any place in the state approved  
6 by the department. A caterer's permit under a club license or a  
7 veterans' club license shall authorize sales at these events only  
8 upon the licensed club premises.

9 (b) ~~Any licensee under an on-sale general license or an on-sale~~  
10 ~~beer and wine license may apply to the department for an event~~  
11 ~~permit. An event permit under an on-sale general license or an~~  
12 ~~on-sale beer and wine license shall authorize, at events held no~~  
13 ~~more frequently than four days in any single calendar year, the~~  
14 ~~sale of beer, wine, and distilled spirits only under an on-sale general~~  
15 ~~license or beer and wine only under an on-sale beer and wine~~  
16 ~~license for consumption on property adjacent to the licensed~~  
17 ~~premises and owned or under the control of the licensee. This~~  
18 ~~property shall be secured and controlled by the licensee and not~~  
19 ~~visible to the general public.~~

20 (c) ~~This section shall in no way limit the power of the~~  
21 ~~department to issue special licenses under the provisions of Section~~  
22 ~~24045 or to issue daily on-sale general licenses under the provisions~~  
23 ~~of Section 24045.1. Consent for sales at each event shall be first~~  
24 ~~obtained from the department in the form of a catering or event~~  
25 ~~authorization issued pursuant to rules prescribed by it. Any event~~  
26 ~~authorization shall be subject to approval by the appropriate local~~  
27 ~~law enforcement agency. The fee for each catering or event~~  
28 ~~authorization shall be issued at a fee not to exceed twenty-five~~  
29 ~~dollars (\$25) and this fee shall be deposited in the Alcohol~~  
30 ~~Beverage Control Fund as provided in Section 25761.~~

31 (d) ~~At all approved events, the licensee may exercise only those~~  
32 ~~privileges authorized by the licensee's license and shall comply~~  
33 ~~with all provisions of the act pertaining to the conduct of on-sale~~  
34 ~~premises and violation of those provisions may be grounds for~~  
35 ~~suspension or revocation of the licensee's license or permit, or~~  
36 ~~both, as though the violation occurred on the licensed premises.~~

37 (e) ~~The fee for a caterer's permit for a licensee under an on-sale~~  
38 ~~general license, a caterer's permit for a licensee under an on-sale~~  
39 ~~beer and wine license, or an event permit for a licensee under an~~  
40 ~~on-sale general license or an on-sale beer and wine license shall~~

1 ~~be one hundred four dollars (\$104) for permits issued during the~~  
2 ~~2002 calendar year, one hundred seven dollars (\$107) for permits~~  
3 ~~issued during the 2003 calendar year, one hundred ten dollars~~  
4 ~~(\$110) for permits issued during the 2004 calendar year, and for~~  
5 ~~permits issued during the years thereafter, the annual fee shall be~~  
6 ~~calculated pursuant to subdivisions (b) and (c) of Section 23320,~~  
7 ~~and the fee for a caterer's permit for a licensee under a club license~~  
8 ~~or a veterans' club license shall be as specified in Section 23320,~~  
9 ~~and the permit may be renewable annually at the same time as the~~  
10 ~~licensee's license. A caterer's or event permit shall be transferable~~  
11 ~~as a part of the license.~~

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