

Introduced by Committee on Governmental Organization (Senators Wright (Chair), Berryhill, Calderon, Cannella, Correa, De León, Galgiani, Hernandez, Lieu, Nielsen, and Padilla)

March 14, 2013

An act to amend Sections 23450, 24041, 24070, and 25605 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 818, as introduced, Committee on Governmental Organization. Alcoholic beverages.

(1) 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 veterans' club license authorizing the sale of alcoholic beverages, as provided.

This bill would revise the definition of a "veteran" for the purposes of the veterans' club license.

(2) Existing law requires a public warehouse licensee that operates more than one public warehouse in the state to post a copy of the original public warehouse license in each warehouse establishment.

This bill would instead require a duplicate public warehouse license issued by the department to be posted in those public warehouse establishments.

(3) The Alcoholic Beverage Control Act limits the amount of the consideration that may accompany the intercounty transfer of on-sale and off-sale licenses to not more than \$10,000 or \$6,000, depending on the date of issue for the license, and lifts those limitations if the transfer occurs after 5 years, as specified.

This bill would revise the limitation on the amount of consideration that may accompany an intercounty transfer to no more than the fee for the original on-sale or off-sale license.

(4) The Alcoholic Beverage Control Act prohibits an off-sale licensee from delivering alcoholic beverages from an order received over the telephone without requiring proof of age and identity when the beverages are delivered.

This bill would make this prohibition applicable to orders received via other electronic means.

(5) 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 expand existing crimes by imposing additional duties on a licensee under the act, thus the 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.

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 23450 of the Business and Professions
2 Code is amended to read:
3 23450. As used in this article, “veteran” means any person who
4 has served in the United States Army, Navy, *Air Force*, Marine
5 Corps, ~~Revenue Marine Service~~ *Coast Guard*, or as an active nurse
6 in the service of the American Red Cross, or in the Army and Navy
7 Nurse Corps in time of war, or in any expedition of the armed
8 forces of the United States, or who served in one of such services
9 during the period September 16, 1940, to December 7, 1941, and
10 received a discharge under conditions other than dishonorable.
11 SEC. 2. Section 24041 of the Business and Professions Code
12 is amended to read:
13 24041. Separate licenses shall be issued for each of the
14 premises of any business establishment having more than one
15 location, except as provided for in Sections 23355.1, 23388, 23389,
16 and 23390, except that any manufacturer, importer, or wholesaler

1 may receive, store, and deliver wine as specified in its license, at
2 and from a public warehouse licensed by the department, without
3 holding an additional license at the warehouse. A license at a public
4 warehouse shall be required by an out-of-state business whose
5 alcoholic beverages come to rest, are stored, and shipped from a
6 public warehouse in California. The holder of a public warehouse
7 license maintaining or operating more than one public warehouse
8 in this state shall be required to obtain but one license for all of
9 his or her public warehouse establishments. ~~A copy of the original~~
10 *duplicate* public warehouse license *issued by the department* issued
11 to a public ~~warehouseman~~ *warehouse licensee* maintaining or
12 operating more than one public warehouse in this state shall be
13 posted in each of his or her public warehouse establishments. A
14 charge of one dollar (\$1) shall be made by the department for each
15 ~~copy~~ *duplicate* of a public warehouse license issued to a public
16 warehouseman.

17 SEC. 3. Section 24070 of the Business and Professions Code
18 is amended to read:

19 24070. Each license is separate and distinct and is transferable
20 upon approval by the department from the licensee to another
21 person and from one premises to another premises.

22 (a) All off-sale general licenses may be transferred from one
23 county to another county, subject to the following provisions:

24 ~~1.~~

25 (1) The number of off-sale general licenses in existence in any
26 county on June 1 of any year shall not be increased by more than
27 25 new original off-sale general licenses during the following
28 12-month period, provided further that the number of new original
29 off-sale general licenses that may be issued in any county during
30 any 12-month period shall not increase by more than 10 percent
31 the number of off-sale general licenses in existence in such county
32 on the June 1 with which that 12-month period began.

33 ~~2.~~

34 (2) After the department computes the number of new original
35 off-sale licenses that may be issued in any county during any
36 12-month period as provided by the foregoing paragraph, if the
37 department determines that the ratio established by Section 23817
38 will permit, during such 12-month period, additional off-sale
39 general licenses in any county, off-sale general licenses may be
40 transferred into such county in a number not to exceed by more

1 than 10 percent the number of off-sale general licenses in existence
2 in such county on the June 1 with which that 12-month period
3 began, but in no event to exceed 25 such transfers during that
4 12-month period.

5 ~~3.~~

6 (3) Under no circumstances shall the combined total number of
7 new original off-sale general licenses that may be issued in any
8 county during any 12-month period and the number of off-sale
9 general licenses that may be transferred into such county during
10 that 12-month period, exceed the limitation set forth in Section
11 23817.

12 (b) All on-sale general licenses may be transferred from one
13 county to another county, subject to the following provisions:

14 ~~1.~~

15 (1) The number of on-sale general licenses in existence in any
16 county on June 1 of any year shall not be increased by more than
17 10 percent by the issuance of new original on-sale general licenses,
18 but in no event to exceed 25 such licenses, during any 12-month
19 period. The number of on-sale general licenses shall be limited by
20 the provisions of Section 23816.

21 ~~2.~~

22 (2) After the department computes the number of new original
23 on-sale licenses that may be issued in any county during any
24 12-month period as provided by the foregoing paragraph, if the
25 department determines that the ratio established by Section 23816
26 will permit, during such 12-month period, additional on-sale
27 general licenses in any county, on-sale general licenses may be
28 transferred into such county in a number not to exceed by more
29 than 10 percent the number of on-sale general licenses in existence
30 in such county on the June with which that 12-month period began,
31 but in no event to exceed 25 such transfers during that 12-month
32 period.

33 ~~3.~~

34 (3) Under no circumstances shall the combined total number of
35 new original on-sale general licenses that may be issued in any
36 county during any 12-month period and the number of on-sale
37 general licenses that may be transferred into such county during
38 that 12-month period, exceed the limitation set forth in Section
39 23816.

40 ~~4.~~

1 (4) The transfer fee for transfer of an on-sale general license
2 from one county to another county shall be the same as the fee
3 prescribed in subdivision (d) of Section 24072 for transfer of an
4 off-sale general license from one county to another county.

5 (c) No retail license subject to the provisions of Section 23816
6 or 23817 issued as a new original license on or after June 1, 1961,
7 and no off-sale general license or on-sale general license transferred
8 from one county to another county on or after August 17, 1967,
9 shall be transferable from the licensee to another person, or if the
10 licensee is a corporation a controlling interest in the stock
11 ownership of the licensee shall not be, directly or indirectly, sold,
12 transferred, or hypothecated unless the licensee be a corporation
13 the stock of which is listed on a stock exchange in this state or in
14 the City of New York, State of New York, or which is required
15 by law to file periodic reports with the Security Exchange
16 Commission, for a period of two years from date of issuance of
17 the license, except as provided in Section 24071, and except when
18 the department determines that the transfer is necessary to prevent
19 undue hardship.

20 ~~(d) No off-sale general license or on-sale general license that~~
21 ~~is transferred from one county to another county pursuant to this~~
22 ~~section shall be transferred thereafter for a purchase price or~~
23 ~~consideration to the transferor or from the transferee in excess of~~
24 ~~ten thousand dollars (\$10,000), except that if the off-sale general~~
25 ~~license or on-sale general license was originally issued on or after~~
26 ~~June 1, 1961, the purchase price or consideration to the transferor~~
27 ~~or from the transferee shall not exceed six thousand dollars~~
28 ~~(\$6,000), as provided by Section 24079.~~

29 ~~(e) Notwithstanding the provisions of subdivision (d) of this~~
30 ~~section any off-sale general license or on-sale general license~~
31 ~~transferred from one county to another county pursuant to this~~
32 ~~section may be transferred with no restrictions as to the purchase~~
33 ~~price or consideration to the transferor or from the transferee after~~
34 ~~a period of five years from the date of the intercounty transfer of~~
35 ~~the license.~~

36 *(d) (1) An on-sale general license or off-sale general license*
37 *that has been transferred from one county to another county shall*
38 *not be transferred for a purchase price or consideration in excess*
39 *of the original fee paid for that license pursuant to subdivision (b)*

1 of Section 23954.4 for a period of five years following the previous
2 transfer of that license.

3 (2) An on-sale general license or off-sale general license that
4 has been transferred from one county to another county may be
5 transferred with no restrictions as to the purchase price or
6 consideration to the transferor or from the transferee after a period
7 of five years from the date of the previous intercounty transfer of
8 the license.

9 SEC. 4. Section 25605 of the Business and Professions Code
10 is amended to read:

11 25605. No ~~off-sale~~ off-sale licensee shall deliver any alcoholic
12 beverages pursuant to orders received for such alcoholic beverage
13 by telephone or other electronic means unless upon delivery the
14 recipient shall be able to furnish proof of age and identity to
15 indicate that he or she is 21 years of age or over.

16 SEC. 5. No reimbursement is required by this act pursuant to
17 Section 6 of Article XIII B of the California Constitution because
18 the only costs that may be incurred by a local agency or school
19 district will be incurred because this act creates a new crime or
20 infraction, eliminates a crime or infraction, or changes the penalty
21 for a crime or infraction, within the meaning of Section 17556 of
22 the Government Code, or changes the definition of a crime within
23 the meaning of Section 6 of Article XIII B of the California
24 Constitution.