

AMENDED IN ASSEMBLY SEPTEMBER 4, 2013

AMENDED IN ASSEMBLY AUGUST 26, 2013

SENATE BILL

No. 818

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 23375, 23450, 24041, 24070, and 25605 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 818, as amended, 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) A public warehouse license authorizes the storage of alcoholic beverages for another licensee, including storage in specified warehouses.

This bill would allow the department to issue the holder of a public warehouse license a duplicate of that license for each additional warehouse operated by the licensee, which authorizes the exercise of all the privileges of the original licensee at the additional warehouse or warehouses.

(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 23375 of the Business and Professions
 2 Code is amended to read:
 3 23375. (a) A public warehouse license authorizes the storage
 4 of alcoholic beverages for the account of another licensee,
 5 including storage in a United States customs bonded warehouse,
 6 a United States internal revenue bonded warehouse, and a United
 7 States bonded wine cellar.
 8 (b) The department may issue to the holder of a public
 9 warehouse license a duplicate of the original *public warehouse*
 10 license for each additional warehouse operated by the licensee,
 11 which authorizes the exercise of all privileges of the original *public*
 12 *warehouse* license at the additional warehouse or warehouses. The

1 fee for a duplicate *public* warehouse license shall be one dollar
2 (\$1).

3 (c) *The term “duplicate public warehouse license,” as used in*
4 *this section, only applies herein.*

5 SEC. 2. Section 23450 of the Business and Professions Code
6 is amended to read:

7 23450. As used in this article, “veteran” means any person who
8 has served in the United States Army, Navy, Air Force, Marine
9 Corps, Coast Guard, or as an active nurse in the service of the
10 American Red Cross, or in the Army and Navy Nurse Corps in
11 time of war, or in any expedition of the Armed Forces of the United
12 States, or who served in one of these services during the period
13 September 16, 1940, to December 7, 1941, and received a discharge
14 under conditions other than dishonorable.

15 SEC. 3. Section 24041 of the Business and Professions Code
16 is amended to read:

17 24041. Separate licenses shall be issued for each of the
18 premises of any business establishment having more than one
19 location, except as provided for in Sections 23355.1, 23388, 23389,
20 and 23390, except that any manufacturer, importer, or wholesaler
21 may receive, store, and deliver wine as specified in its license, at
22 and from a public warehouse licensed by the department, without
23 holding an additional license at the warehouse. A license at a public
24 warehouse shall be required by an out-of-state business whose
25 alcoholic beverages come to rest, are stored, and shipped from a
26 public warehouse in California.

27 SEC. 4. Section 24070 of the Business and Professions Code
28 is amended to read:

29 24070. Each license is separate and distinct and is transferable
30 upon approval by the department from the licensee to another
31 person and from one premises to another premises.

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

34 (1) The number of off-sale general licenses in existence in any
35 county on June 1 of any year shall not be increased by more than
36 25 new original off-sale general licenses during the following
37 12-month period, provided further that the number of new original
38 off-sale general licenses that may be issued in any county during
39 any 12-month period shall not increase by more than 10 percent

1 the number of off-sale general licenses in existence in that county
2 on the June 1 with which that 12-month period began.

3 (2) After the department computes the number of new original
4 off-sale licenses that may be issued in any county during any
5 12-month period as provided by the foregoing paragraph, if the
6 department determines that the ratio established by Section 23817
7 will permit, during that 12-month period, additional off-sale general
8 licenses in any county, off-sale general licenses may be transferred
9 into that county in a number not to exceed by more than 10 percent
10 the number of off-sale general licenses in existence in that county
11 on the June 1 with which that 12-month period began, but in no
12 event to exceed 25 such transfers during that 12-month period.

13 (3) Under no circumstances shall the combined total number of
14 new original off-sale general licenses that may be issued in any
15 county during any 12-month period and the number of off-sale
16 general licenses that may be transferred into such county during
17 that 12-month period, exceed the limitation set forth in Section
18 23817.

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

21 (1) The number of on-sale general licenses in existence in any
22 county on June 1 of any year shall not be increased by more than
23 10 percent by the issuance of new original on-sale general licenses,
24 but in no event to exceed 25 such licenses, during any 12-month
25 period. The number of on-sale general licenses shall be limited by
26 the provisions of Section 23816.

27 (2) After the department computes the number of new original
28 on-sale licenses that may be issued in any county during any
29 12-month period as provided by the foregoing paragraph, if the
30 department determines that the ratio established by Section 23816
31 will permit, during that 12-month period, additional on-sale general
32 licenses in any county, on-sale general licenses may be transferred
33 into that county in a number not to exceed by more than 10 percent
34 the number of on-sale general licenses in existence in that county
35 on June 1 with which that 12-month period began, but in no event
36 to exceed 25 such transfers during that 12-month period.

37 (3) Under no circumstances shall the combined total number of
38 new original on-sale general licenses that may be issued in any
39 county during any 12-month period and the number of on-sale
40 general licenses that may be transferred into that county during

1 that 12-month period, exceed the limitation set forth in Section
2 23816.

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

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

22 (d) (1) An on-sale general license or off-sale general license
23 that has been transferred from one county to another county shall
24 not be transferred for a purchase price or consideration in excess
25 of the original fee paid for that license pursuant to subdivision (b)
26 of Section 23954.5 for a period of five years following the previous
27 transfer of that license.

28 (2) An on-sale general license or off-sale general license that
29 has been transferred from one county to another county may be
30 transferred with no restrictions as to the purchase price or
31 consideration to the transferor or from the transferee after a period
32 of five years from the date of the previous intercounty transfer of
33 the license.

34 SEC. 5. Section 25605 of the Business and Professions Code
35 is amended to read:

36 25605. No off-sale licensee shall deliver any alcoholic
37 beverages pursuant to orders received for alcoholic beverages by
38 telephone or other electronic means unless upon delivery the
39 recipient shall be able to furnish proof of age and identity to
40 indicate that he or she is 21 years of age or over.

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

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