

Assembly Bill No. 973

Passed the Assembly April 30, 2015

Chief Clerk of the Assembly

Passed the Senate August 20, 2015

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2015, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 25500.1 of, and to repeal Section 25502.1 of, the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 973, Gray. Alcoholic beverages: tied-house restrictions: on-sale and off-sale retailers advertising.

The Alcoholic Beverage Control Act contains limitations on sales commonly known as “tied-house” restrictions, which generally prohibit a manufacturer, winegrower, manufacturer’s agent, California winegrower’s agent, rectifier, distiller, bottler, importer, or wholesaler from furnishing, giving, or lending any money or other thing of value to any person engaged in operating, owning, or maintaining any off-sale licensed premises. For purposes of these provisions, the listing of the names, addresses, telephone numbers, email addresses, or Internet Web site addresses, of 2 or more unaffiliated off-sale retailers selling beer, wine, or distilled spirits and operating and licensed as bona fide public eating places selling the beer, wine, or distilled spirits produced, distributed, or imported by a nonretail industry member in response to a direct inquiry from a consumer, as specified, does not constitute a thing of value or prohibited inducement to the listed off-sale retailer, if specified conditions are met.

Existing law includes similar provisions applicable to on-sale licensed premises, except that those provisions also extend the above-described exception to other forms of electronic media.

This bill would delete the above exceptions that apply specifically to off-sale licensed premises and instead would include off-sale licensed premises within the exceptions previously applicable only to on-sale licensed premises.

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

SECTION 1. Section 25500.1 of the Business and Professions Code is amended to read:

25500.1. (a) The listing of the names, addresses, telephone numbers, email addresses, or Internet Web site addresses, or other electronic media, of two or more unaffiliated on-sale or off-sale retailers selling beer, wine, or distilled spirits produced, distributed, or imported by a nonretail industry member in response to a direct inquiry from a consumer received by telephone, by mail, by electronic inquiry, or in person does not constitute a thing of value or prohibited inducement to the listed on-sale or off-sale retailer, provided all of the following conditions are met:

(1) The listing does not also contain the retail price of the product.

(2) The listing is the only reference to the on-sale or off-sale retailers in the direct communication.

(3) The listing does not refer only to one on-sale retailer or only to on-sale or off-sale retail establishments controlled directly or indirectly by the same retailer.

(4) The listing is made by, or produced by, or paid for, exclusively by the nonretail industry member making the response.

(b) For the purposes of this section, “nonretail industry member” is defined as a manufacturer, including, but not limited to, a beer manufacturer, winegrower, or distiller of alcoholic beverages or an agent of that entity, or a wholesaler, regardless of any other licenses held directly or indirectly by that person.

SEC. 2. Section 25502.1 of the Business and Professions Code is repealed.

Approved _____, 2015

Governor