

ASSEMBLY BILL

No. 1320

Introduced by Assembly Member Maienschein

February 27, 2015

An act to amend Section 25503.24 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 1320, as introduced, Maienschein. Alcoholic beverages: tied-house restrictions.

Existing law prohibits specified holders of alcoholic beverage licenses from having specified relationships with an on-sale alcoholic beverage licensee, with limited exceptions. Existing law permits a manufacturer, winegrower, rectifier, distiller, distilled spirits wholesaler, or any agent of those licenses, to conduct market research and, in connection with that research, to purchase from licensed off-sale retailers data, regarding purchases and sales of alcoholic beverage products, at the customary rates that those retailers sell similar data for nonalcoholic beverage products, provided that no licensed retailer shall be obligated to purchase or sell the alcoholic beverages of the manufacturer, winegrower, rectifier, or distiller.

This bill would make a nonsubstantive change to this provision.

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

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

- 1 SECTION 1. Section 25503.24 of the Business and Professions
- 2 Code is amended to read:

1 25503.24. (a) Notwithstanding any other provision of this
2 chapter, any manufacturer, winegrower, rectifier, distiller, distilled
3 spirits wholesaler, or any ~~officer, director, agent, agent, director,~~
4 ~~officer,~~ or representative of any of those entities, may conduct
5 market research and, in connection with that research, the entity
6 conducting the market research may purchase from licensed
7 off-sale retailers data regarding purchases and sales of alcoholic
8 beverage products at the customary rates that those retailers sell
9 similar data for nonalcoholic beverage products subject to the
10 following limitations:

11 (1) No licensed retailer shall be obligated to purchase or sell
12 the alcoholic beverage products of that manufacturer, winegrower,
13 rectifier, or distiller.

14 (2) No retail premises shall participate in more than one research
15 project conducted by any single manufacturer, winegrower,
16 rectifier, distiller, or distilled spirits wholesaler during a calendar
17 year. A research project may involve multiple onsite surveys.

18 (3) Nothing in this section shall allow a licensed retailer to
19 require a manufacturer, winegrower, rectifier, distiller, or distilled
20 spirits wholesaler to conduct any market research as a condition
21 for selling alcoholic beverage products to that licensed retailer.

22 (b) Any holder of a beer manufacturer's license or winegrower's
23 license who, through coercion or other illegal means, induces,
24 directly or indirectly, a holder of a beer or wine wholesaler's
25 license to fulfill obligations entered into pursuant to subdivision
26 (a) shall be guilty of a misdemeanor and shall be punished by
27 imprisonment in the county jail not exceeding six months, or by
28 a fine in an amount equal to the entire value of the market research
29 or time involved in the project, whichever is greater, plus ten
30 thousand dollars (\$10,000), or by both imprisonment and fine. The
31 person shall also be subject to license revocation pursuant to
32 Section 24200.

33 (c) Any retail licensee who, directly or indirectly, solicits or
34 coerces a holder of a beer or wine wholesaler's license to solicit
35 a beer manufacturer, or holder of a winegrower's license to fulfill
36 obligations entered into pursuant to subdivision (a) shall be guilty
37 of a misdemeanor and shall be punished by imprisonment in the
38 county jail not exceeding six months, or by a fine in an amount
39 equal to the entire value of the market research or time involved
40 in the project, whichever is greater, plus ten thousand dollars

1 (\$10,000), or by both imprisonment and fine. The person shall also
2 be subject to license revocation pursuant to Section 24200.
3 (d) For the purposes of this section, “beer manufacturer”
4 includes any holder of a beer manufacturer’s license, any holder
5 of an out-of-state beer manufacturer’s certificate, or any holder of
6 a beer and wine importer’s general license.

O