

Senate Bill No. 683

Passed the Senate August 24, 2016

Secretary of the Senate

Passed the Assembly August 18, 2016

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Section 23786 to the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 683, Wolk. Alcoholic beverage licenses: nonprofit sales license.

Existing law, the Alcoholic Beverage Control Act, regulates the application for, the issuance of, the suspension of, and the conditions imposed upon, various alcoholic beverage licenses pursuant to which the licensees may exercise specified privileges in the state. Existing law authorizes the specified licenses to nonprofit organizations, as provided. Existing law also provides for various annual fees for the issuance of alcoholic beverage licenses depending upon the type of license issued.

This bill would authorize the Department of Alcoholic Beverage Control to issue a special nonprofit sales license to a nonprofit mutual benefit corporation, as described, that would authorize the licensee to, among other things, accept the transfer of, and take title to, up to 20,000 gallons of wine per year produced by the public university, as described, and sell transferred wine to consumers and licensees, as provided. The bill would impose an original fee and an annual renewal fee for the license, which would be deposited in the Alcohol Beverage Control Fund.

This bill would make legislative findings and declarations as to the necessity of a special statute for a county of the 28th class.

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

SECTION 1. Section 23786 is added to the Business and Professions Code, to read:

23786. (a) The department may issue a special nonprofit sales license to a nonprofit mutual benefit corporation, as described in Section 23701a of the Revenue and Taxation Code, that has a board membership composed of the Dean of the College of Agricultural and Environmental Sciences, or his or her designee, the Chair of the Department of Viticulture and Enology, or his or

her designee, and the Chair of the Department of Food Science and Technology, or his or her designee, of the public university located within the county of the 28th class that includes courses in viticulture and enology in its curriculum.

(b) A special nonprofit sales license authorizes the licensee to do all of the following:

(1) Accept the transfer of, and take title to, up to 20,000 gallons of wine per year produced by the public university described in subdivision (a), notwithstanding that the public university does not hold any license issued pursuant to this division. For purposes of this section, “produced” includes wine donated to, or purchased by, the public university for educational or experimental purposes and that are thereafter treated or processed by the public university.

(2) Sell wine received pursuant to paragraph (1) to consumers for consumption off the licensed premises or to other licensees authorized to sell wine.

(3) Give licensees samples of the wine it sells, subject to the limitations in subdivision (a) of Section 23386 and any department regulations.

(c) The special nonprofit sales license does not authorize the licensee to purchase or otherwise obtain wine from a licensee or other manufacturer or seller of wine, except as specified in this section.

(d) A public university, as described in subdivision (a), may transfer wine produced by the public university to a special nonprofit sales licensee.

(e) The original fee for the special nonprofit sales license shall be five hundred dollars (\$500) and the annual renewal fee shall be one hundred dollars (\$100). The original and annual renewal fee may be adjusted pursuant to subdivisions (b) and (c) of Section 23320.

SEC. 2. The Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique conditions in a county of the 28th class.

Approved _____, 2016

Governor