

ASSEMBLY BILL

No. 973

Introduced by Assembly Member Papan

February 27, 1997

An act to amend Sections 25501 and 25611.1 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 973, as introduced, Papan. Alcohol beverages: tied-house restrictions.

The Alcoholic Beverage Control Act provides that any manufacturer, winegrower, manufacturer's agent, rectifier, distiller, bottler, importer, or wholesaler, or any officer, director, or agent of any such person, may furnish, give, lend, or rent specified types of signs. Existing law includes signs relating to malt beverages advertising the beer manufacturer's product and principally bearing the manufacturer's name, including acrylic table tent holders.

The Alcoholic Beverage Control Act prohibits a manufacturer, bottler, importer, or wholesaler of products of the brewing industry from furnishing, giving, renting, lending, or selling, directly or indirectly, any equipment, fixtures, or supplies, other than alcoholic beverages, to any person engaged in operating, owning, or maintaining any on-sale premises, as specified. Existing law provides, for purposes of that prohibition, that supplies do not include paper beverage coasters, as specified.

This bill would remove acrylic table tent holders from the list of signs that those persons may furnish, give, lend, or rent.

This bill would instead provide that, for purposes of the prohibition against any manufacturer, bottler, importer, or wholesaler of products of the brewing industry furnishing, giving, renting, lending, or selling, directly or indirectly, any equipment, fixtures, or supplies, other than alcoholic beverages, to any person engaged in operating, owning, or maintaining any on-sale premises, supplies do not include brand-identified acrylic table tent holders. The bill would make related clarifying changes.

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 25501 of the Business and
2 Professions Code is amended to read:

3 25501. No manufacturer, bottler, importer, or
4 wholesaler of products of the brewing industry shall:

5 (a) Furnish, give, rent, lend, or sell, directly or
6 indirectly, any equipment, fixtures, or supplies, other
7 than alcoholic beverages, to any person engaged in
8 operating, owning, or maintaining any on-sale premises
9 where alcoholic beverages are sold for consumption on
10 the premises. This subdivision shall not prohibit the
11 furnishing of draft beer pumps and iceboxes to those
12 persons who operate on a temporary basis. For the
13 purposes of this subdivision, supplies do not include paper
14 beverage coasters less than 25 square inches in size and
15 having a value of less than five cents (\$0.05) per coaster
16 *or brand-identified acrylic table tent holders.*

17 (b) Directly or indirectly, hold the ownership or any
18 interest, by stock ownership or otherwise, in any firm,
19 corporation, partnership, or business, furnishing,
20 supplying, or dealing in any office, store, or restaurant
21 furnishings or equipment, other than signs for interior use
22 or supplies authorized to be given under this division to
23 any person engaged in operating, owning, or maintaining
24 any on-sale premises.

25 (c) Notwithstanding any provision of this section, the
26 holder of a beer and wine wholesaler's license may



1 manufacture, distribute, and sell any lawful product to
2 any person engaged in operating, owning, or maintaining
3 any on-sale premises where alcoholic beverages are sold
4 for consumption on the premises, provided that these
5 products are sold by the holder of the beer and wine
6 wholesaler's license to the on-sale licensee at a price not
7 less than the current market price for the product.

8 SEC. 2. Section 25611.1 of the Business and
9 Professions Code is amended to read:

10 25611.1. Any manufacturer, winegrower,
11 manufacturer's agent, rectifier, distiller, bottler,
12 importer, or wholesaler, or any officer, director, or agent
13 of any such person, may furnish, give, lend, or rent:

14 (a) Signs relating to wine or distilled spirits, each of
15 which shall not exceed 630 square inches, for interior use
16 in premises where alcoholic beverages are sold for
17 consumption on the premises.

18 (b) Except as limited in subdivision (a) ~~of this section,~~
19 signs for interior use in premises where alcoholic
20 beverages are sold for consumption on or off the
21 premises. Signs relating to malt ~~beverage~~ *beverages*
22 advertising the beer manufacturer's product *and*
23 principally bearing a conspicuous notice of the
24 manufacturer's name, brand name, trade name, slogans,
25 markings, trademarks, or other symbols commonly
26 associated with and generally used by the manufacturer
27 in identifying the manufacturer's name or product, with
28 or without other graphic or pictorial advertising
29 representations, whether or not illuminated or
30 mechanized, including, but not limited to, posters,
31 placards, stickers, decals, shelf strips, wall panels, plaques,
32 shadow boxes, mobiles, dummy bottles, bottle toppers,
33 case wrappers, brand identifying statuettes, tap markers,
34 *and* table tents, ~~and acrylic table tent holders~~. These signs
35 for interior use on licensed premises selling malt
36 beverages shall not be deemed of intrinsic or utilitarian
37 value.

38 (c) Signs or other advertising matter for exterior use
39 on any licensed premises as may be permitted by this



1 division and rules of the department adopted pursuant
2 thereto.

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