California Department of Alcoholic Beverage Control



2021 Chaptered Legislation
Code Section Updates

2021 Chaptered Bills Amending the ABC Act

AB 61 (Gabriel, Chapter 651, Statutes of 2021) Business pandemic relief.

Adds and repeals Section 25750.5 of the Business and Professions Code, adds and repeals Section 65907 of the Government Code, and amends Section 114067 of the Health and Safety Code, relating to business pandemic relief, and declaring the urgency thereof, to take effect immediately. (Effective October 8, 2021)

<u>Summary of Code Section Changes -</u> This urgency bill authorizes the Department of Alcoholic Beverage Control to allow licensees to exercise license privileges in an expanded area authorized pursuant to a COVID-19 Temporary Catering Authorization, subject to the terms and conditions established in the Department's regulatory relief, for up to 365 days following the end of the Governor's declared state of emergency related to the pandemic. This bill allows the Department to extend a COVID-19 Temporary Catering Authorization beyond 365 days if the licensee has a pending application for a permanent premises expansion. These provisions sunset July 1, 2024. Lastly, this bill enacts other relief measures, unrelated to the Department, that impact food facilities and local governments.

2. AB 83 (Committee on Budget, Chapter 11, Statutes of 2021) Alcoholic beverage control: license renewal fees: waiver. Amends and renumbers Section 23320.3 of the Business and Professions Code, relating to business and professions, and making an appropriation therefor, to take effect immediately, bill related to the budget. (Effective March 17, 2021)

<u>Summary of Code Section Changes -</u> This urgency bill authorizes the Department of Alcoholic Beverage Control to waive license renewal fees for small beer manufacturers, craft distillers, or winegrowers who produce less than 100,000 gallons annually, and whose licenses expire between March 1, 2021 and February 28, 2023, provided those licenses were active between March 1, 2020 and December 31, 2020.

3. AB 239 (Villapudua, Chapter 192, Statutes of 2021) Winegrowers and brandy manufacturers: exercise of privileges: locations.

Amends Section 23390 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill deletes the current prohibition on winegrowers and brandy manufacturers to refill customer-supplied containers of wine at branch offices, warehouses, or United States bonded wine cellars located away from their place of production.

4. <u>AB 1149 (Villapudua, Chapter 271, Statutes of 2021)</u> Alcoholic beverages: tied-house restrictions.

Amends Section 25503.2 of the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately. (Effective September 23, 2021)

<u>Summary of Code Section Changes -</u> This urgency bill allows specified manufacturers and wholesalers to merchandise (e.g., stock and arrange products on shelves, etc.) single-serve containers of wine and distilled spirits, similar to as currently authorized for beer, at off-sale retail licensed premises.

5. <u>AB 1267 (Cunningham, Chapter 207, Statutes of 2021)</u> Alcoholic beverages: advertising or promoting donation to a nonprofit charitable organization.

Amends Section 25600 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill, until January 1, 2025, allows specified alcohol manufacturers to donate a portion of the purchase price of an alcoholic beverage to a nonprofit charitable organization if certain conditions are met, including, but not limited to, that the promotion of the donation does not directly encourage consumption of alcoholic beverages.

6. AB 1275 (Jones-Sawyer, Chapter 208, Statutes of 2021) Alcoholic beverage control: minors.

Amends Section 25666 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill modifies the requirement that the Department of Alcoholic Beverage Control produce an alleged minor for examination in a hearing on an accusation charging a licensee with violating

provisions relating to providing alcoholic beverages to a minor, employing a minor to prepare or serve alcoholic beverages, or permitting a minor to enter and remain in the licensed premises. This bill maintains the requirement that the Department produce at the administrative hearing any minor used by peace officers as a decoy in underage sales enforcement operations, but removes the requirement with respect to violations involving non-decoy minors.

7. <u>AB 1589 (Committee on Governmental Organization, Chapter 306, Statutes of 2021)</u> Alcoholic beverages: appeals: tied-house restrictions.

Amends Sections 23081, 23081.5, 23083, 23088, and 25503.24 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill adds distilled spirits wholesalers to the list of licensees that a retailer is not required to purchase or sell alcoholic beverages from when selling marketing data to that wholesaler. This bill also authorizes the electronic filing of appeals to the Alcoholic Beverage Control Appeals Board and electronic delivery of final orders by the Board.

8. <u>SB 19 (Glazer, Chapter 274, Statutes of 2021)</u> Winegrowers: tasting rooms.

Amends Sections 23320 and 23390.5 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill authorizes winegrowers and brandy manufacturers to operate up to two off-site retail or winetasting outlets by increasing the number of duplicate licenses they are authorized from one to two. This bill also establishes a \$440 application fee for a duplicate winegrower license.

 SB 94 (Skinner, Chapter 9, Statutes of 2021) Alcoholic beverage control: barbering and cosmetology: license renewal fees: waiver.

Adds Section 23320.3 to, and adds and repeals Section 7427 of, the Business and Professions Code, relating to business and professions, and making an appropriation therefor, to take effect immediately, bill related to the budget. (Effective February 23, 2021)

<u>Summary of Code Section Changes -</u> This urgency bill authorizes the Department of Alcoholic Beverage Control to waive license renewal fees for specified licensees whose licenses expire between March 1, 2021 and February 28, 2023, provided those licenses were active between March 1, 2020 and December 31, 2020. This bill contains other provisions unrelated to the Department.

10. <u>SB 314 (Wiener, Chapter 656, Statutes of 2021)</u> Alcoholic beverages.

Amends Sections 23399 and 25607 of, and adds and repeals Section 25750.5 of, the Business and Professions Code, relating to alcoholic beverages, and declaring the urgency thereof, to take effect immediately. (Effective October 8, 2021)

<u>Summary of Code Section Changes -</u> This urgency bill 1) authorizes the Department of Alcoholic Beverage Control to allow licensees to exercise license privileges in an expanded area pursuant to a COVID-19 Temporary Catering Authorization, subject to the terms and conditions established in the Department's regulatory relief, for up to 365 days following the end of the Governor's declared state of emergency related to the pandemic, as specified (this provision is identical to one contained in AB 61 (Gabriel)); 2) authorizes alcohol manufacturers to share a common licensed area with multiple retailers, subject to various requirements; and 3) allows catering authorizations to be issued for up to 36 events, rather than 24, at a single location annually, except when the Department determines additional events may be catered to satisfy substantial public demand.

11. <u>SB 386 (Umberg, Chapter 309, Statutes of 2021)</u> Tied-house restrictions: advertising: mixed-use district.

Amends Section 25503.6 of, and adds Section 25503.61 to, the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill broadens the current tied-house exception for the Honda Center in Orange County, expanding it to the full 95-acre mixed-use development surrounding the stadium. Among other provisions, this expansion allows alcohol manufacturers to sponsor events and purchase advertising space from the on-sale licensee that is the owner or operator of the mixed-use district, subject to specified limitations.

12. <u>SB 389 (Dodd, Chapter 657, Statutes of 2021)</u> Alcoholic beverages: retail on-sale license: off-sale privileges.

Adds and repeals Section 23401.5 of the Business and Professions Code, relating to alcoholic beverages. (Effective January 1, 2022)

<u>Summary of Code Section Changes -</u> This bill authorizes specified restaurants and certain alcohol manufacturers to sell distilled spirits in manufacturer-sealed containers (e.g. cans or bottles) for off-site consumption for which their license permits on-sale consumption if the order is picked up by the consumer and they display identification, as specified. This bill also authorizes those same licensees to sell for off-site consumption distilled spirits and single-serve wine that is not in manufacturer-sealed containers (e.g. a cocktail or margarita) if the order is sold in conjunction with a meal, it is picked up by the consumer, and they display identification, among other requirements. Before exercising the privilege of selling nonmanufacturer-sealed alcoholic beverages for off-site consumption, the eligible licensee must notify the Department of their intent to do so. The Department could restrict or prohibit these privileges by placing conditions on the license under specified circumstances. The provisions of this bill sunset January 1, 2027.