



## 2018 CALIFORNIA LEGISLATIVE SUMMARY

### 2018 Assembly Bills

#### **AB 1890 – SIGNED INTO LAW**

**Summary:** Allows craft distillers, winegrowers, and beer manufacturers, with approval of the ABC, to share a common licensed area in which the consumption of alcoholic beverages is permitted if the licensed premises of production are immediately adjacent to each other.

**Author(s):** Assembly Members Marc Levine (D-San Rafael)

**AJ Position:** Oppose - By muddying the waters in terms of customer oversight, these shared areas make it harder to enforce drinking age, cut off intoxicated patrons, and comply with responsible beverage service standards.

#### **AB 1891 – SIGNED INTO LAW**

**Summary:** Adds craft distillers to the types of manufacturers and wholesalers that may offer instructional tastings on the premises of an off-sale retailer that receives an instructional tasting license.

**Author(s):** Assembly Members Marc Levine (D-San Rafael)

**AJ Position:** Oppose - Granting yet another regulatory exemption for a segment of the alcohol industry only further erodes fair and effective alcohol regulation in California.

#### **AB 1986 – SIGNED INTO LAW**

**Summary:** Adds craft distiller to list of licensees that can donate or sell products to nonprofit organizations.

**Author(s):** Assembly Member Jordan Cunningham (R-San Luis Obispo)

**AJ Position:** Oppose - Granting yet another regulatory exemption for a segment of the alcohol industry only further erodes fair and effective alcohol regulation in California.

#### **AB 2000 – SIGNED INTO LAW**

**Summary:** Expands exceptions to allow manufacturers to purchase advertising space and time, in connection with certain events, from, or on behalf of, on-sale retail licensees, at specified stadiums located in the City of San Jose.

**Author(s):** Assembly Member Ash Kalra (D-San Jose)

**AJ Position:** Oppose - Granting yet another regulatory exemption for more alcohol advertising at a professional stadium is wrong-headed. This bill also blurs the necessary separation between the manufacturing and on-sale retail sector. The entire section 25503.6 of Business and Professions code is a repository for advertising exemptions

that we find objectionable.

**AB 2146 – SIGNED INTO LAW**

**Summary:** Expands exceptions to allow manufacturers to purchase advertising space and time, in connection with certain events, from, or on behalf of, on-sale retail licensees, at a specified stadium complex located in the City of San Diego.

**Author(s):** Assembly Member Todd Gloria (D-San Diego)

**AJ Position:** Oppose – Granting yet another regulatory exemption for more alcohol advertising at a professional stadium is wrong-headed. This bill also blurs the necessary separation between the manufacturing and on-sale retail sector. The entire section 25503.6 of Business and Professions code is a repository for advertising exemptions that we find objectionable.

**AB 2452 – SIGNED INTO LAW**

**Summary:** Amends tied-house restrictions on advertisements for promotional events where a manufacturer is signing autographs at an off-sale retailer to include pictures and illustrations of the location.

**Author(s):** Assembly Member Cecilia Aguiar-Curry (D-Winters)

**AJ Position:** Oppose – Granting yet another regulatory exemption to the tied-house laws is wrong-headed. This bill also blurs the necessary separation between the manufacturing and on-sale retail sector.

**AB 2460 - DEAD**

**Summary:** Provides that an art gallery may provide beer and wine to patrons without need of an ABC license. No more than 12 ounces of beer or six ounces of wine may be offered to a patron.

**Author(s):** Assembly Member Matthew Harper (R-Huntington Beach)

**AJ Position:** Oppose – Continues the trend, that started with salons and barbershops, of making alcohol ever more widely available.

**CAPA:** Oppose

**AB 2469 – SIGNED INTO LAW**

**Summary:** Expands existing law that allows an off-sale licensee to deliver an order for alcoholic beverages, with proof of age and identity, made by telephone or other electronic to also include orders made digitally.

**Author(s):** Assembly Member Marc Berman (D-Palo Alto)

**Position:** Oppose – Allowing for the delivery of alcoholic beverages increases availability and makes enforcement of laws prohibiting sales to intoxicated or underage persons more difficult as a result of sales transaction taking place at a location different than that of the licensed off-sale premises.

**AB 2573 – VETOED BY GOVERNOR**

**Summary:** Allows a beer manufacturer to give up to five cases of retail advertising glassware to an on-sale retail licensee, per location, each calendar year for use at the licensed location.

**Author(s):** Assembly Member Evan Low (D-Campbell)

**AJ Position:** Oppose - The only appropriate reform in this area of law is to eliminate all gifts to retailers to maintain a firm separation of the three tiers and to also therefore eliminate the possibility of corruption.

**AB 2738 - DEAD**

**Summary:** Provide exceptions to the prohibitions on the manufacture, distribution, and sale of powdered alcohol to manufacturers and research institutions, if (1) the powdered alcohol is possessed exclusively for manufacturing, research, or development purposes and not for retail sale, or (2) the retail sale of products that contain powdered alcohol as an ingredient in a mixture printed on a substrate and the mixture cannot be reasonably converted to a loose, powdered form.

**Author(s):** Assembly Member Bill Brough (R-Dana Point)

**AJ Position:** Oppose – Opens the door for further efforts to legalize the sale of powdered alcohol.

**CAPA Position:** Oppose

**AB 2914 – SIGNED INTO LAW**

**Summary:** Prohibits the sale of a cannabis product that is an alcoholic beverage, including an infusion of cannabis into an alcoholic beverage.

**Author(s):** Assembly Member Ken Cooley (D-Rancho Cardova)

**AJ Position:** Support – Prevents the creation of a new class of alcoholic beverages with the potential for all sorts of harms.

**CAPA Position:** Support

**AB 3168 – SIGNED INTO LAW**

**Summary:** Outdoor advertising displays on publicly owned property if the governmental agency has (1) ownership of the property, (2) adopts an appropriate legal rule declaring the property exempt from the state Outdoor Advertising Act, and (3) the display complies with any other applicable laws or rules of the agency.

**Author(s):** Assembly Member Blanca Rubio (D-Baldwin Park)

**Position:** Oppose – Increases the public’s exposure to advertising – including those for alcoholic beverages.

## **2018 Senate Bills**

**SB 786 – DEAD**

**Summary:** Allows for any licensing application for a new alcoholism or drug abuse recovery or treatment facility to be denied for “overconcentration” if it will be separated 300 feet or less from another facility in an area zoned residential.

**Author(s):** Senator Ben Allen (D-Santa Monica)

**AJ Position:** Oppose. No such firm restrictions exist for overconcentration of drinking establishments because of much abused local government exemptions through "Findings of Public Convenience or Necessity" (PCN). It is ironic and hypocritical to consider such overconcentration restrictions on people in recovery.

### **SB 905 – VETOED BY GOVERNOR**

**Summary:** Allows closing times for on-sale retailers to be extended from 2 a.m. to 4 a.m. as part of a pilot program conducted by the ABC. The pilot program may be conducted in six cities: Sacramento, Oakland, San Francisco, Los Angeles, West Hollywood, and Long Beach.

**Author(s):** Senator Scott Wiener (D-San Francisco)

**AJ Position:** *STRONGLY OPPOSE* - This is the worst alcohol-related legislation of this session. Extending the hours of operation for on-sale retailers will result in increased alcohol-related harm. This bill recycles previously failed bills (SB 384 (2017) – Wiener & SB 635 (2013) – Leno) SB 384635-Leno). Alcohol service from 2 a.m. to 4 a.m, even in special "entertainment districts," extends neighborhood noise, street violence, and impaired driving to the hours of 4 a.m at least, and DUIs and traffic collisions could snarl early morning commuter traffic regionally. Without adequate local mitigation fees on alcohol, there will be vast increases to costs of night owl transportation (if any), police, sheriff, CHP, ambulance service, and emergency room usage.

**CAPA Position:** Oppose

### **SB 973 – SIGNED INTO LAW**

**Summary:** Increases the ABC annual license surcharge from \$5 to \$10. The fee is used for the Department of the California Highway Patrol's Designated Driver Program.

**Author(s):** Senator Bill Dodd (D-Napa)

**AJ Position:** Watch - Although the CHP should be supported in anti-DUI activities, designated driver programs come from a weak evidence base. Worse, the current program boasts of heavy involvement from AB Inbev.

### **SB 1164 – SIGNED INTO LAW**

**Summary:** Provides craft distillers with options to increase sales through greater marketing and sales opportunities, including:

Doubles the number of gallons that a craft distiller can produce from 100,000 to 200,000 gallons per year.

Allows for a craft distiller to organize clubs and membership groups, and to sell all alcohol types at events it hosts for these groups.

Expands the definition of contiguous licensed premises to include property that is across a street, so long as it is not further than 900 feet from the licensed premises.

Presently Craft brewers can sell all alcohol types to consumers for consumption on the premises so long as it is at a bona fide eating place that is part of the "contiguous licensed premises."

Allows for craft distillers to charge for entertainment, food, and alcohol provided to consumers at private events.

Allows for the ABC to issue a craft distillery on-sale general license to permit a licensed craft distiller to sell all beers, wines, or distilled spirits to consumers for consumption on the licensed premises.

Requires any bottled distilled spirits imported by a craft distiller be sold through wholesale channels and reenter the craft distiller's licensed premises for sampling,

cocktails, gift shop sales, or events only through purchase from a California wholesaler. Expands to craft distillers many of the rights and duties that are granted and imposed on distilled spirit manufacturers.

**Author(s):** Senator Nancy Skinner (D-Oakland)

**AJ Position:** Oppose – Greatly expands the ways in which a craft distiller may operate.

### **SB 1283 – SIGNED INTO LAW**

**Summary:** Allows a brewpub-restaurant licensee to label, bottle, package, or refill any container with beer produced on the licensed premises, to sell beer produced by the licensee for consumption off the premises, and to give or sell beer manufactured by the licensee to specified nonprofit organizations.

**Author(s):** Senator Steven Bradford (D-Gardena)

**AJ Position:** Oppose - Allows an on-sale retailer to become a de facto off-sale retailer. If brew pubs want to sell beer for off-sale consumption then they can apply for the appropriate license.

### **SB 1317 - DEAD**

**Summary:** Authorizes local governments to adopt a local ordinance that requires an alcoholism or drug abuse recovery or treatment facility to meet specified conditions, including, among other things, submitting specified plans and information to the local entity no less than 30 days prior to opening, providing one full bathroom for every 2 residents, and meeting minimum size requirements of each bedroom.

**Author(s):** Senator Anthony Portantino (D-San Fernando Valley)

**AJ Position:** Oppose - No such conditions can be imposed by local government on new alcohol licensees. It is ironic and hypocritical to consider such restrictions on people in recovery.

### **SB 1430 – DEAD**

**Summary:** Allows for a winegrower operating pursuant to an alternating proprietorship be allowed 2 tasting rooms under the duplicate winegrowers license.

**Author(s):** Senator Steve Glazer (D-Orinda)

**AJ Position:** Oppose – Further erodes existing licensing laws. If winegrowers want a second tasting room then they can apply for a second license.