



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

March 28, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Amendment to and Addition of Various Budget Bill Items, Support, Department of Consumer Affairs

Business Modernization Project Implementation—It is requested that Item 1111-001-0108 be increased by \$1,147,000 and 2 positions, Item 1111-001-0152 be increased by \$540,000, Item 1111-001-0770 be increased by \$1,250,000, and Item 1111-002-0305 be increased by \$2,029,000 to allow the Department of Consumer Affairs to begin implementing new licensing and enforcement systems, as part of the Department's Business Modernization Plan, for the Acupuncture Board, Board of Chiropractic Examiners, Board for Professional Engineers, Land Surveyors, and Geologists, and the Bureau for Private Postsecondary Education. Funding for these four projects is requested on a one-time basis and future requests will be made once the Department completes all four stages of the Project Approval Lifecycle and more accurate costs are available. It is also requested that Schedule (3) of Item 1111-002-0702 be increased by \$500,000 and 3 positions, and Schedule (6) be decreased by \$500,000, to reflect corresponding adjustments for information technology positions that will provide centralized services related to project implementation for all four projects.

Budget Bill Language for Anticipated Facilities Costs—It is requested that Item 1111-402 be added to allow the Department of Finance to augment the appropriations of various boards and bureaus within the Department of Consumer Affairs, after notification to the Legislature, if facilities costs exceed the available appropriations in fiscal year 2019-20 (see Attachment 1). The Department has several leases that will expire in the next several months. The Department is currently working with the Department of General Services to renew those leases, which may result in costs that exceed the current appropriation levels. Should those costs materialize, the proposed language will enable Finance to augment the appropriations accordingly.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Clint Kellum, Assistant Program Budget Manager, at (916) 445-8913.

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee

Attention: Mr. Mark McKenzie, Staff Director

Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee

Attention: Mr. Kirk Feely, Budget Fiscal Director

Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee

Attention: Mr. Jay Dickenson, Chief Consultant

Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee

Attention: Ms. Cyndi Hillery, Staff Director

Honorable Maria Elena Durazo, Chair, Senate Budget and Fiscal Review Subcommittee No. 4

Honorable Jim Cooper, Chair, Assembly Budget Subcommittee No. 4

Mr. Gabriel Petek, Legislative Analyst (4)

Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)

Mr. Jason Sisney, Assembly Speaker's Office (2)

Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office

Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office

Ms. Melinda Grant, Undersecretary, Business, Consumer Services and Housing Agency

Ms. Lila Mirrashidi, Deputy Secretary, Business and Consumer Relations, Business
Consumer Services and Housing Agency

Mr. Dean Grafilo, Director, Department of Consumer Affairs

Ms. Natalie Daniel, Deputy Director, Administrative Services, Department of Consumer
Affairs

Ms. Janice Shintaku-Enkoji, Chief Fiscal Officer, Department of Consumer Affairs

Mr. Taylor Schick, Fiscal Officer, Department of Consumer Affairs

1111-402—It is recognized that various boards and bureaus within the Department of Consumer Affairs may incur increased facility costs in 2019-20 for various locations statewide that could have a fiscal impact beyond the amounts appropriated in their respective Budget Act items. Therefore, notwithstanding any other provision of law, upon the request of the Department of Consumer Affairs, the Department of Finance may augment the appropriations of various boards and bureaus within the Department of Consumer Affairs, after review of a request submitted by the Department of Consumer Affairs that demonstrates a need for additional resources for facilities costs based on executed lease contracts. Any augmentation shall be authorized not sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.



March 28, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

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**Amendment to Budget Bill Item 2100-001-3036, Support, and Trailer Bill Language,
Department of Alcoholic Beverage Control**

Program Performance Improvement Initiative—It is requested that Item 2100-001-3036 be increased by \$5,249,000 and 34 positions to strengthen and modernize the licensing and enforcement services provided by the Department of Alcoholic Beverage Control. Funding and positions will be phased in beginning in fiscal year 2019-20 for a total of \$7,469,000 and 51 positions in fiscal year 2022-23. These resources will enable the Department to increase enforcement, support new approaches and increased capacity to meet licensing workload, and establish a unit to promulgate regulations that clarify provisions of the Alcoholic Beverage Control Act.

Alcohol License Fees—It is requested that trailer bill language be added to amend Business and Professions Code to increase various application and renewal fees to address the structural deficit of the Alcohol Beverage Control Fund and cover Business Modernization Project costs proposed above (see Attachment 1). While the Fund has had a structural deficit over the years, the Department has maintained solvency by utilizing the fund balance accumulated by salary savings resulting from significant Alcoholic Beverage Control Agent vacancies. Through a variety of measures, the Department has been able to hire and retain agents. Consequently, salary savings are no longer available and workload has outpaced resources. To address the revenue shortfall, this proposal amends the current fees to recover licensing and compliance program costs, and also simplifies the fee structure. Amendments include: (1) charging one-day catering and events fees based on attendance; (2) marginally increasing daily fees for non-profit events; (3) consolidating annual fees based on their respective level of licensing privilege; (4) adding new fees for certain activities that are currently free of charge; (5) authorizing a non-refundable portion of the application fee; and (6) permitting the Department to adjust application fees by the Consumer Price Index.

Business Modernization Project and Responsible Beverage Service—It is requested that Item 2100-001-3036 be increased by \$2,922,000 and 5.5 positions to provide the capacity and resources to implement the Responsible Beverage Service Training Act, established in Chapter 847, Statutes of 2017 (AB 1221), and to provide electronic payment services. These resources will introduce new online functionality for electronic payments, enable online applications for new licenses and renewals, and electronic notification of application status or renewal notices. The Department will also create access to an online examination to verify learning and provide a database of certificates of alcohol servers in compliance with AB 1221. It is also requested that trailer bill language be added to amend Business and Professions Code section 25685 to clarify the Department's ability to collect an examination fee (see attachment 2).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Clint Kellum, Assistant Program Budget Manager, at (916) 445-8913.

KEELY MARTIN BOSLER

Director

By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN

Chief Deputy Director

Attachment

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Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Mr. Jacob Appelsmith, Director, Alcoholic Beverage Control
Mr. Randall Deems, Chief, Administration Division, Alcoholic Beverage Control

Amend various Business and Professions Code Sections. See attached trailer bill language.

An act to amend Sections 23083.5, 23106, 23320.5, 23321.7, 23327, 23355.2, 23357.2, 23357.3, 23357.4, 23358.3, 23366.3, 23375, 23390, 23393.5, 23396.1, 23396.2, 23396.3, 23396.6, 23399, 23399.4, 23399.45, 23399.6, 23399.65, 23433, 23502, 23661.3, 23786, 23788.5, 23803, 23817.5, 23824, 23826.8, 23826.13, 23954.6, 23959, 23961, 24042, 24042.5, 24044.5, 24045, 24045.1, 24045.7, 24045.76, 24045.85, 24045.11, 24045.12, 24045.14, 24047, 24048, 24070, 24071, 24071.1, 24071.2, 24072.2, 25512, 25600.5, 25659.5, and 25761 of, to repeal Sections 23320.1, 23954.5, and 23954.7 of, and to repeal and add Sections 23320 and 24072 of, the Business and Professions Code, relating to alcoholic beverages.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 23083.5 of the Business and Professions Code is amended to read:

23083.5. (a) The department shall collect a 3-percent surcharge on the annual fees provided for in Section 23320 on behalf of the appeals board at the same time the department makes its regular collections of annual fees pursuant to Section 23320. The surcharge shall be rounded to the nearest whole dollar five dollars (\$5) and pay the costs of the appeals board in carrying out its duties.

(b) All surcharges collected by the department on behalf of the appeals board pursuant to this section shall be deposited in the Alcoholic Beverage Control Appeals Fund, which is hereby created. All moneys in the Alcoholic Beverage Control Appeals Fund shall be available to the appeals board, upon appropriation by the Legislature, to pay the actual costs of the appeals board in carrying out its duties under this chapter.

SEC. 2. Section 23106 of the Business and Professions Code is amended to read:

23106. (a) Wine stored in a winery or wine cellar bonded under the internal revenue laws of the United States and brandy in bulk stored in an internal revenue bonded warehouse may be stored by or for any licensee without the necessity of any license by the person furnishing or providing the storage space.

(b) Beer and wine upon which excise taxes have been paid to the state at the rate fixed under Part 14 of Division 2 of the Revenue and Taxation Code may be stored by or for any licensee in any private or public warehouse or elsewhere in this state without the necessity of any license by the person furnishing or providing the storage space or any special additional license by the licensee.

(c) Any other alcoholic beverage may, without the necessity of any additional license, be stored by or for a licensee in private warehouses approved by the department, if within the limits of the county in which the licensee's licensed premises are located, or in a public warehouse within that county, or may be stored in bond in a public warehouse outside that county if the public warehouse is also a United States customs bonded warehouse, a United States internal revenue bonded warehouse, or a United States bonded wine cellar. An application for the approval of a private warehouse shall be accompanied by a fee of fifty dollars (\$50); one hundred seventy dollars (\$170). This fee may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.

SEC. 3. Section 23320 of the Business and Professions Code is repealed.

23320. (a) ~~The following are the types of licenses and the annual fees to be charged therefor:~~

Name & License Type Number:	Fee Effective 01/01/10
(1) Beer manufacturer:	—
(a) Beer manufacturers	—
that produce 60,000	—
barrels or less a year	—
(Type 23).....	\$161.00



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(b) All other beer manufacturers	—
(Type 1).....	\$1334.00
(c) Branch Office	—
— Small Beer Manufacturers	—
(Type 23D).....	\$85.00
— Beer Manufacturers	—
(Type 1D).....	\$85.00
(2) Winegrower or wine blender (to be computed only on the gallons produced or blended) (Type 2 & Type 22):	—
— 5,000 gallons or less.....	\$62.00
— Over 5,000 gallons to 20,000 gallons per year.....	\$115.00
— Over 20,000 to 100,000 gallons per year.....	\$208.00
— Over 100,000 to 200,000 gallons per year.....	\$274.00
— Over 200,000 gallons to 1,000,000 gallons per year.....	\$406.00
— For each 1,000,000 gallons or fraction thereof over 1,000,000 gallons an additional.....	\$265.00
Winegrower (Branch Office) - (Type 2D).....	\$85.00
(3) Brandy manufacturer	—
(Type 3).....	\$271.00
Brandy manufacturer (Branch Office)	—
(Type 3D).....	\$248.00
(4) Distilled spirits manufacturer (Type 4).....	\$444.00
(5) Distilled spirits manufacturer's agent	—
(Type 5).....	\$444.00
(5a) California winegrower's	—



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agent (Type 27).....	\$444.00
(6) Still (Type 6).....	\$67.00
(7) Rectifier (Type 7).....	\$444.00
(7a) Distilled spirits rectifier's general license (Type 24).....	— — \$444.00
(8) Wine rectifier (Type 8).....	— \$444.00
(9) Beer & wine importer (Type 9).....	— \$67.00
(10) Beer & wine importer's general license (Type 10)	— \$296.00
(11) Brandy importer (Type 11).....	— \$67.00
(12) Distilled spirits importer (Type 12).....	— \$67.00
(13) Distilled spirits importer's general license (Type 13).....	— — \$444.00
(14) Public warehouse (Type 14).....	— \$67.00
(15) Customs broker (Type 15).....	— \$67.00
(16) Wine broker (Type 16).....	\$90.00
(17) Beer & wine wholesaler (Type 17).....	— \$296.00
(18) Distilled spirits wholesaler (Type 18).....	— \$444.00
(18a) California brandy wholesaler (Type 25).....	— \$444.00
(19) Industrial alcohol dealer (Type 19).....	— \$90.00
(20) Retail package off-sale beer & wine (Type 20).....	— \$242.00
(21) Retail package off-sale general license (Type 21) and controlled access cabinet permit (Type 66).....	— — — \$537.00
(22) On-sale beer (Type 40 & Type 61); On-sale beer & wine (Type 42); Special on-sale beer & wine (Theater) (Type 69); and Special on-sale	— — — — — —



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beer & wine (Symphony) cabinet permit (Type 66).....	\$248.00
(23) On-sale beer & wine eating place (Type 41).....	\$335.00
(24) On-sale beer & wine license for trains (per train) (Type 43).....	\$100.00
(25) On-sale beer license for fishing party boats (per boat) (Type 44).....	\$100.00
(26) On-sale beer & wine license for boats (per boat) (Type 45).....	\$100.00
(27) On-sale beer & wine license for airplanes (per scheduled flight) (Type 46).....	\$100.00
(28) On-sale general license (Types 47, 48, 57, 70, 75; 78, 78D (for 78D see Section 23396.2)) and club caterer's permit (Type 58): —In cities of 40,000 population or over.....	\$846.00
—In cities of less than 40,000 but more than 20,000 population.....	\$620.00
—In all other localities.....	\$551.00
Duplicate on-sale general license (Types 47D, 48D, 57D) and portable bar license (Type 68): —In cities of 40,000 population or over.....	\$609.00
—In cities of less than 40,000 but more than 20,000 population.....	\$360.00
—In all other localities.....	\$284.00
(29) On-sale general license for seasonal business	—



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(Type 49):	
—In cities of 40,000 population or over (per quarter).....	\$215.00
—In cities of less than 40,000 but more than 20,000 population (per quarter).....	\$153.00
—In all other localities (per quarter).....	\$134.00
Duplicate on-sale general license for seasonal business (Type 49D):	
—In cities of 40,000 population or over (per quarter).....	\$153.00
—In cities of less than 40,000 but more than 20,000 population (per quarter).....	\$90.00
—In all other localities (per quarter).....	\$71.00
(30) (a) On-sale general license for bona fide clubs, (b) Club license (issued under Article 4 of this chapter), or (c) Veterans' club license (issued under Article 5 (commencing with Section 23450) of this chapter) (Types 50, 51, 52, & 64):	
—In cities of 40,000 population or over.....	\$488.00
—In cities of less than 40,000 but more than 20,000 population.....	\$366.00
—In all other localities.....	\$325.00
(31) On-sale general license for trains and sleeping cars (Type 53).....	\$189.00
—Duplicate on-sale general license for	



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trains and sleeping car companies (Type 53D).....	\$67.00
(32) On-sale general license for boats (Type 54).....	\$491.00
(33) On-sale general license for airplanes (Type 55).....	\$491.00
—Duplicate on-sale general license for air common carriers (Type 55D).....	\$67.00
(34) On-sale general license for vessels of more than 1,000 tons burden (Type 56) and for Maritime Museum (Type 76).....	\$189.00
—Duplicate on-sale general license for vessels of more than 1,000 tons burden (Type 56D) and for Maritime Museum (Type 76D).....	\$67.00
(35) On-sale general bona fide public eating place intermittent dockside license for vessels of more than 7,000 tons displacement (Type 62).....	\$531.00
(36) On-sale special beer & wine license for hospitals, convalescent homes, and rest homes (Type 63).....	\$83.00
(37) On-sale beer & wine seasonal (Type 59) and on-sale beer seasonal (Type 60)	
—Operating period 3-9 months.....	\$208.00
—Operating period 3-6 months.....	\$141.00



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(b) Beginning January 1, 2013, and each January 1 thereafter, the department may adjust each of the fees specified in this section by increasing each fee by an amount not to exceed the percentage that the Consumer Price Index (United States Bureau of

Labor Statistics, West Region, All Urban Consumers, All Items, Base Period 1982-84 =100) for the preceding April 2011, and each April annually thereafter, has increased under the same index over the month of April 2010, which shall be the base period. No fee shall be decreased pursuant to this adjustment below the fee currently in effect on each December 31. In the event that this index is discontinued, the department shall consult with the Department of Finance to convert the increase calculations to an index then available. When approved by the Department of Finance, the new index shall replace the discontinued index.

(c) The department shall calculate the percentage increase as specified in subdivision (b) and shall apply this increase to each fee. The increase to each fee shall be rounded to the nearest whole dollar. The adjusted fee list shall be published by the department and transmitted to the Legislature for approval as part of the department's budget submission for the fiscal year in which the adjusted fees would be implemented. This adjustment of fees and publication of the adjusted fee list is not subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 4. Section 23320 is added to the Business and Professions Code, to read:

23320. (a) An applicant for a new permanent license, which shall not include duplicate licenses, shall accompany the application with the application fee as specified in this division:

(1) The license application fee for a new permanent license shall be nine hundred five dollars (\$905), except as otherwise specified.

(2) Applicants for a new permanent license of the following types shall accompany the application with a fee of fifteen thousand eight hundred thirty-five dollars (\$15,835):

(A) Off-sale general (Type 21).

(B) On-sale general - eating place (Type 47), on-sale general public premises (Type 48), special on-sale general (Type 57), special on-sale general for-profit theater (Type 71 and Type 72), brewpub-restaurant (Type 75), caterer's (Type 83), neighborhood restricted special on-sale (Type 87), and special on-sale general license for historic cemetery (Type 88).

(3) Applicants for a new permanent license of the following types shall accompany the application with a fee as indicated:

(A) Twelve thousand dollars (\$12,000) for a wine, food and art cultural museum (Type 78).

(B) Six thousand dollars (\$6,000) for an on-sale general - eating place on public property (Type 47) and for an on-sale general restrictive service (Type 70).

(C) Two thousand dollars (\$2,000) for an on-sale general dockside (Type 62).

(D) One thousand dollars (\$1,000) for a special on-sale general theater (Type 64).

(E) One hundred dollars (\$100) for an out-of-state beer manufacturer certificate (Type 26), for a distilled spirits shipper certificate (Type 28), and for a direct shipper permit (Type 82).

(F) One hundred dollars (\$100) for a still (Type 6).

(b) The following are the types of licenses and the annual fees to be charged therefor:



(1) (A) For a Type 01 - Beer manufacturer that produces more than 60,000 barrels per year: the fee through September 30, 2019, is one thousand five hundred thirty-one dollars (\$1,531) and the fee on and after October 1, 2019, is one thousand eight hundred ninety dollars (\$1,890).

(B) For a Duplicate Type 01: the fee through September 30, 2019, is ninety-eight dollars (\$98) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(2) (A) For a Type 02 - Winegrower (to be computed only on the gallons produced); 5,000 gallons or less: the fee through September 30, 2019, is seventy-one dollars (\$71) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(B) For a Type 02 - Winegrower (to be computed only on the gallons produced); 5,000 - 20,000 gallons: the fee through September 30, 2019, is one hundred thirty-two dollars (\$132) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(C) For a Type 02 - Winegrower (to be computed only on the gallons produced); 20,000 - 100,000 gallons: the fee through September 30, 2019, is two hundred thirty-nine dollars (\$239) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(D) For a Type 02 - Winegrower (to be computed only on the gallons produced); 100,000 - 200,000 gallons: the fee through September 30, 2019, is three hundred fourteen dollars (\$314) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(E) For a Type 02 - Winegrower (to be computed only on the gallons produced); 200,000 - 1,000,000 gallons: the fee through September 30, 2019, is four hundred sixty-six dollars (\$466) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Type 02 - Winegrower (to be computed only on the gallons produced); for each additional 1,000,000 gallons over 1,000,000 gallons: the fee through September 30, 2019, is three hundred thirteen dollars (\$313) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(G) For a Duplicate Type 02: the fee through September 30, 2019, is ninety-eight dollars (\$98) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(3) (A) For a Type 03 - Brandy manufacturer: the fee through September 30, 2019, is three hundred eleven dollars (\$311) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(B) For a Duplicate Type 03: the fee through September 30, 2019, is two hundred eighty-four dollars (\$284) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(4) For a Type 04 - Distilled spirits manufacturer: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(5) For a Type 05 - Distilled spirits manufacturer's agent: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).



(6) For a Type 06 - Still: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(7) For a Type 07 - Rectifier: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(8) For a Type 08 - Wine rectifier: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(9) For a Type 09 - Beer and wine importer: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(10) For a Type 10 - Beer and wine importer's general license: the fee through September 30, 2019, is three hundred forty dollars (\$340) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(11) For a Type 11 - Brandy importer: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(12) For a Type 12 - Distilled spirits importer: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(13) For a Type 13 - Distilled spirits importer's general license: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(14) (A) For a Type 14 - Public warehouse: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(B) For a Duplicate Type 14: the fee through September 30, 2019, is one dollar (\$1) and the fee on and after October 1, 2019, is twenty-five dollars (\$25).

(15) For a Type 15 - Customs broker: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(16) For a Type 16 - Wine broker: the fee through September 30, 2019, is one hundred three dollars (\$103) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(17) For a Type 17 - Beer and wine wholesaler: the fee through September 30, 2019, is three hundred forty dollars (\$340) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(18) For a Type 18 - Distilled spirits wholesaler: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(19) For a Type 19 - Industrial alcohol dealer: the fee through September 30, 2019, is one hundred three dollars (\$103) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(20) For a Type 20 - Off-sale beer and wine: the fee through September 30, 2019, is two hundred seventy-eight dollars (\$278) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).



(21) For a Type 21 - Off-sale general: the fee through September 30, 2019, is six hundred seventeen dollars (\$617) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(22) (A) For a Type 22 - Wine blender (to be computed only on the gallons produced); 5,000 gallons or less: the fee through September 30, 2019, is seventy-one dollars (\$71) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(B) For a Type 22 - Wine blender (to be computed only on the gallons produced); 5,000 - 20,000 gallons: the fee through September 30, 2019, is one hundred thirty-two dollars (\$132) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(C) For a Type 22 - Wine blender (to be computed only on the gallons produced); 20,000 gallons - 100,000 gallons: the fee through September 30, 2019, is two hundred thirty-nine dollars (\$239) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(D) For a Type 22 - Wine blender (to be computed only on the gallons produced); 100,000 - 200,000 gallons: the fee through September 30, 2019, is three hundred fourteen dollars (\$314) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(E) For a Type 22 - Wine blender (to be computed only on the gallons produced); 200,000 - 1,000,000 gallons: the fee through September 30, 2019, is four hundred sixty-six dollars (\$466) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Type 22 - Wine blender (to be computed only on the gallons produced); for each additional 1,000,000 gallons over 1,000,000 gallons: the fee through September 30, 2019, is three hundred thirteen dollars (\$313) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(23) (A) For a Type 23 - Small beer manufacturer that produces 60,000 barrels or less a year: the fee through September 30, 2019, is one hundred eighty-four dollars (\$184) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(B) For a Duplicate Type 23: the fee through September 30, 2019, is ninety-eight dollars (\$98) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$215).

(24) For a Type 24 - Distilled spirits rectifier's general license: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(25) For a Type 25 - California brandy wholesaler: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).

(26) For a Type 26 - Out-of-state beer manufacturer certificate: the fee through September 30, 2019, is seventy-nine dollars (\$79) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(27) For a Type 27 - California winegrower's agent: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is five hundred ninety-five dollars (\$595).



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(28) For a Type 28 - Out-of-state distilled spirits shipper certificate: the fee through September 30, 2019, is seventy-nine dollars (\$79) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(29) For a Type 29 - Winegrape grower storage: the fee through September 30, 2019, is ninety dollars (\$90) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(30) For a Type 40 - On-sale beer: the fee through September 30, 2019, is two hundred eighty-four dollars (\$284) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(31) For a Type 41 - On-sale beer and wine eating place: the fee through September 30, 2019, is three hundred eighty-four dollars (\$384) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(32) For a Type 42 - On-sale beer and wine pub premises: the fee through September 30, 2019, is two hundred eighty-four dollars (\$284) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(33) For a Type 43 - On-sale beer and wine train: the fee through September 30, 2019, is one hundred fourteen dollars (\$114) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(34) For a Type 44 - On-sale beer and wine fishing party boat: the fee through September 30, 2019, is one hundred fourteen dollars (\$114) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(35) For a Type 45 - On-sale beer and wine boat: the fee through September 30, 2019, is one hundred fourteen dollars (\$114) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(36) For a Type 46 - On-sale beer and wine airplane: the fee through September 30, 2019, is one hundred fourteen dollars (\$114) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(37) (A) For a Type 47 - On-sale general eating place in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 47 - On-sale general eating place in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 47 - On-sale general eating place in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 47 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 47 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 47 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).



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(38) (A) For a Type 48 - On-sale general public premises in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 48 - On-sale general public premises in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 48 - On-sale general public premises in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 48 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 48 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 48 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(39) (A) For a Type 49 - On-sale general - seasonal business in cities of 40,000 population or over per 3 months: the fee through September 30, 2019, is two hundred forty-seven dollars (\$247) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(B) For a Type 49 - On-sale general - seasonal business in cities of 40,000 population or over per 6 months: the fee through September 30, 2019, is four hundred ninety-four dollars (\$494) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(C) For a Type 49 - On-sale general - seasonal business in cities of 40,000 population or over per 9 months: the fee through September 30, 2019, is seven hundred forty-one dollars (\$741) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(D) For a Type 49 - On-sale general - seasonal business in cities of less than 40,000, but more than 20,000 population per 3 months: the fee through September 30, 2019, is one hundred seventy-six dollars (\$176) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$215).

(E) For a Type 49 - On-sale general - seasonal business in cities of less than 40,000, but more than 20,000 population per 6 months: the fee through September 30, 2019, is three hundred fifty dollars (\$350) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(F) For a Type 49 - On-sale general - seasonal business in cities of less than 40,000, but more than 20,000 population per 9 months: the fee through September 30, 2019, is five hundred twenty-six dollars (\$526) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(G) For a Type 49 - On-sale general - seasonal business in all other localities per 3 months: the fee through September 30, 2019, is one hundred fifty-three dollars (\$153) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).



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(H) For a Type 49 - On-sale general - seasonal business in all other localities per 6 months: the fee through September 30, 2019, is three hundred six dollars (\$306) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(I) For a Type 49 - On-sale general - seasonal business in all other localities per 9 months: the fee through September 30, 2019, is four hundred fifty-eight dollars (\$458) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(J) For a Duplicate Type 49 in cities of 40,000 population or over per 3 months: the fee through September 30, 2019, is one hundred seventy-six dollars (\$176) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$215).

(K) For a Duplicate Type 49 in cities of 40,000 population or over per 6 months: the fee through September 30, 2019, is three hundred fifty dollars (\$350) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(L) For a Duplicate Type 49 in cities of 40,000 population or over per 9 months: the fee through September 30, 2019, is five hundred twenty-six dollars (\$526) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$650).

(M) For a Duplicate Type 49 in cities of less than 40,000, but more than 20,000 population or over per 3 months: the fee through September 30, 2019, is one hundred three dollars (\$103) and the fee on and after October 1, 2019, is one hundred twenty-five dollars (\$125).

(N) For a Duplicate Type 49 in cities of less than 40,000, but more than 20,000 per 6 months: the fee through September 30, 2019, is two hundred seven dollars (\$207) and the fee on and after October 1, 2019, is two hundred fifty dollars (\$250).

(O) For a Duplicate Type 49 in cities of less than 40,000, but more than 20,000 population or over per 9 months: the fee through September 30, 2019, is three hundred eleven dollars (\$311) and the fee on and after October 1, 2019, is three hundred seventy-five dollars (\$375).

(P) For a Duplicate Type 49 in all other localities per 3 months: the fee through September 30, 2019, is eighty-one dollars (\$81) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(Q) For a Duplicate Type 49 in all other localities per 6 months: the fee through September 30, 2019, is one hundred sixty-six dollars (\$166) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$215).

(R) For a Duplicate Type 49 in all other localities per 9 months: the fee through September 30, 2019, is two hundred forty-seven dollars (\$247) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(40) (A) For a Type 50 - On-sale general license for bona fide clubs in cities of 40,000 population or over: the fee through September 30, 2019, is five hundred sixty dollars (\$560) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(B) For a Type 50 - On-sale general license for bona fide clubs in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred twenty dollars (\$420) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(C) For a Type 50 - On-sale general license for bona fide clubs in all other localities: the fee through September 30, 2019, is three hundred seventy-three dollars (\$373) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).



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(41) (A) For a Type 51 - Club license (issued under Article 4 of this chapter) in cities of 40,000 population or over: the fee through September 30, 2019, is five hundred sixty dollars (\$560) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(B) For a Type 51 - Club license (issued under Article 4 of this chapter) in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred twenty dollars (\$420) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(C) For a Type 51 - Club license (issued under Article 4 of this chapter) in all other localities: the fee through September 30, 2019, is three hundred seventy-three dollars (\$373) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(42) (A) For a Type 52 - Veterans' club license (issued under Article 5 of this chapter) in cities of 40,000 population or over: the fee through September 30, 2019, is five hundred sixty dollars (\$560) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(B) For a Type 52 - Veterans' club license (issued under Article 5 of this chapter) in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred twenty dollars (\$420) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(C) For a Type 52 - Veterans' club license (issued under Article 5 of this chapter) in all other localities: the fee through September 30, 2019, is three hundred seventy-three dollars (\$373) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(43) (A) For a Type 53 - On-sale general train: the fee through September 30, 2019, is two hundred seventeen dollars (\$217) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(B) For a Duplicate Type 53: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(44) For a Type 54 - On-sale general boat: the fee through September 30, 2019, is five hundred sixty-three dollars (\$563) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(45) (A) For a Type 55 - On-sale general license for airplanes: the fee through September 30, 2019, is five hundred sixty-three dollars (\$563) and the fee on and after October 1, 2019, is six hundred fifty dollars (\$650).

(B) For a Duplicate Type 55 for air common carriers: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(46) (A) For a Type 56 - On-sale general license for vessels of more than 1,000 tons burden: the fee through September 30, 2019, is two hundred seventeen dollars (\$217) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(B) For a Duplicate Type 56: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).



(47) (A) For a Type 57 - Special on-sale general in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 57 - Special on-sale general in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 57 - Special on-sale general in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 57 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 57 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 57 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(48) (A) For a Type 58 - Caterer's permit; on-sale general or on-sale beer and wine: the fee through September 30, 2019, is one hundred forty-six dollars (\$146) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$215).

(B) For a Type 58 - Caterer's permit; club in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(C) For a Type 58 - Caterer's permit; club in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(D) For a Type 58 - Caterer's permit; club in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(49) (A) For a Type 59 - On-sale beer and wine seasonal; operating period 3-9 months: the fee through September 30, 2019, is two hundred thirty-nine dollars (\$239) and the fee on and after October 1, 2019, is two hundred fifty dollars (\$250).

(B) For a Type 59 - On-sale beer and wine seasonal; operating period 3-6 months: the fee through September 30, 2019, is one hundred sixty-two dollars (\$162) and the fee on and after October 1, 2019, is one hundred seventy-five dollars (\$175).

(50) (A) For a Type 60 - On-sale beer seasonal; operating period 3-9 months: the fee through September 30, 2019, is two hundred thirty-nine dollars (\$239) and the fee on and after October 1, 2019, is two hundred fifty dollars (\$250).

(B) For a Type 60 - On-sale beer seasonal; operating period 3-6 months: the fee through September 30, 2019, is one hundred sixty-two dollars (\$162) and the fee on and after October 1, 2019, is one hundred seventy-five dollars (\$175).



(51) For a Type 61 - On-sale beer public premises: the fee through September 30, 2019, is two hundred eighty-four dollars (\$284) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(52) For a Type 62 - On-sale general license dockside: the fee through September 30, 2019, is six hundred nine dollars (\$609) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(53) For a Type 63 - On-sale special beer and wine hospital: the fee through September 30, 2019, is ninety-six dollars (\$96) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(54) (A) For a Type 64 - Special on-sale general theater in cities of 40,000 population or over: the fee through September 30, 2019, is five hundred sixty dollars (\$560) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(B) For a Type 64 - Special on-sale general theater in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred twenty dollars (\$420) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(C) For a Type 64 - Special on-sale general theater in all other localities: the fee through September 30, 2019, is three hundred seventy-three dollars (\$373) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(55) For a Type 65 - Special on-sale beer and wine symphony: the fee through September 30, 2019, is two hundred eighty-four dollars (\$284) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(56) For a Type 66 - Controlled access cabinet: the fee through September 30, 2019, is six hundred seventeen dollars (\$617) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(57) For a Type 67 - Bed and breakfast inn; per room: the fee through September 30, 2019, is eight dollars (\$8) and the fee on and after October 1, 2019, is ten dollars (\$10).

(58) (A) For a Type 68 - Portable bar in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(B) For a Type 68 - Portable bar in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(C) For a Type 68 - Portable bar in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(59) For a Type 69 - Special on-sale beer and wine theater: the fee through September 30, 2019, is two hundred eighty-four dollars (\$284) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(60) (A) For a Type 70 - On-sale general restrictive service in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 70 - On-sale general restrictive service in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven



hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 70 - On-sale general restrictive service in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(61) (A) For a Type 71 - Special on-sale general for-profit theater in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 71 - Special on-sale general for-profit theater in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 71 - Special on-sale general for-profit theater in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 71 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 71 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 71 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(62) (A) For a Type 72 - Special on-sale general for-profit theater, Napa County in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 72 - Special on-sale general for-profit theater, Napa County in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 72 - Special on-sale general for-profit theater, Napa County in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 72 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 72 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 72 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).



(63) For a Type 73 - Special nonprofit sales: the fee through September 30, 2019, is one hundred fourteen dollars (\$114) and the fee on and after October 1, 2019, is one hundred sixty dollars (\$160).

(64) For a Type 74 - Craft distilled spirits manufacturer: the fee through September 30, 2019, is five hundred ten dollars (\$510) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(65) (A) For a Type 75 - Brewpub-restaurant in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 75 - Brewpub-restaurant in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 75 - Brewpub-restaurant in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 75 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 75 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 75 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(66) (A) For a Type 76 - On-sale general maritime museum: the fee through September 30, 2019, is two hundred seventeen dollars (\$217) and the fee on and after October 1, 2019, is three hundred twenty-five dollars (\$325).

(B) For a Duplicate Type 76: the fee through September 30, 2019, is seventy-seven dollars (\$77) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(67) For a Type 77 - Event permit: the fee through September 30, 2019, is one hundred forty-six dollars (\$146) and the fee on and after October 1, 2019, is two hundred fifteen dollars (\$215).

(68) (A) For a Type 78 - On-sale general wine, food and art cultural museum in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 78 - On-sale general wine, food and art cultural museum in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 78 - On-sale general wine, food and art cultural museum in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).



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(D) For a Duplicate Type 78 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 78 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 78 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(69) For a Type 79 - Certified farmers' market: the fee through September 30, 2019, is fifty-eight dollars (\$58) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(70) For a Type 80 - Special on-sale general; per room: the fee through September 30, 2019, is seventeen dollars (\$17) and the fee on and after October 1, 2019, is twenty dollars (\$20).

(71) For a Type 81 - Wine sales event permit: the fee through September 30, 2019, is fifty dollars (\$50) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(72) For a Type 82 - Direct shipper permit: the fee through September 30, 2019, is ten dollars (\$10) and the fee on and after October 1, 2019, is twenty-five dollars (\$25).

(73) (A) For a Type 83 - On-sale general caterer's permit in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 83 - On-sale general caterer's permit in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 83 - On-sale general caterer's permit in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

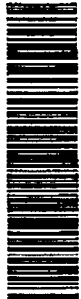
(74) For a Type 84 - Certified farmers' market beer: the fee through September 30, 2019, is fifty-eight dollars (\$58) and the fee on and after October 1, 2019, is one hundred ten dollars (\$110).

(75) For a Type 85 - Limited off-sale wine license: the fee through September 30, 2019, is two hundred seventy-eight dollars (\$278) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(76) For a Type 86 - Instructional tasting license: the fee through September 30, 2019, is three hundred dollars (\$300) and the fee on and after October 1, 2019, is three hundred eighty dollars (\$380).

(77) (A) For a Type 87 - Neighborhood restricted special on-sale in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 87 - Neighborhood restricted special on-sale in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven



hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 87 - Neighborhood restricted special on-sale in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 87 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 87 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 87 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(78) (A) For a Type 88 - Special on-sale general license for historic cemetery in cities of 40,000 population or over: the fee through September 30, 2019, is nine hundred seventy-one dollars (\$971) and the fee on and after October 1, 2019, is one thousand one hundred ninety dollars (\$1,190).

(B) For a Type 88 - Special on-sale general license for historic cemetery in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is seven hundred eleven dollars (\$711) and the fee on and after October 1, 2019, is nine hundred seventy dollars (\$970).

(C) For a Type 88 - Special on-sale general license for historic cemetery in all other localities: the fee through September 30, 2019, is six hundred thirty-two dollars (\$632) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(D) For a Duplicate Type 88 in cities of 40,000 population or over: the fee through September 30, 2019, is six hundred ninety-nine dollars (\$699) and the fee on and after October 1, 2019, is seven hundred fifty-five dollars (\$755).

(E) For a Duplicate Type 88 in cities of less than 40,000, but more than 20,000 population: the fee through September 30, 2019, is four hundred thirteen dollars (\$413) and the fee on and after October 1, 2019, is five hundred forty dollars (\$540).

(F) For a Duplicate Type 88 in all other localities: the fee through September 30, 2019, is three hundred twenty-six dollars (\$326) and the fee on and after October 1, 2019, is four hundred thirty dollars (\$430).

(c) (1) In addition to the application fee for a new permanent license as specified in subdivision (a), an annual renewal fee, as set forth in subdivision (b), shall accompany the application. The application fee shall be nonrefundable up to the amount of the application fee in paragraph (1) of subdivision (a), as adjusted by subdivisions (d) and (e). The annual fee provided at the time of application shall allow the license to be active for one year from the date of issuance and shall be refundable only in the event that the license application is withdrawn or denied.

(2) If an application includes multiple new permanent licenses to be issued at the same premises, the application fee shall be required for only one of the applied-for licenses and an application fee shall not be charged for the remainder of the licenses. In situations involving different license types, the application fee to be paid shall be the highest such fee as specified in subdivision (a). Notwithstanding this provision,



the annual renewal fee required pursuant to this subdivision shall be payable for each license.

(d) Beginning January 1, 2021, and each January 1 thereafter, the department may adjust each of the fees specified in this section by increasing each fee by an amount not to exceed the percentage that the California Consumer Price Index (California Department of Industrial Relations, Division of Labor Statistics and Research, All Items, Base Period 1982-84=100) for the preceding January 2020, and each January annually thereafter, has increased under the same index over the month of January 2019, which shall be the base period. The department shall not adjust fees pursuant to this section if the balance of the Alcohol Beverage Control Fund at the end of the prior fiscal year is greater than one-fourth of the department's appropriation from the Alcohol Beverage Control Fund for the current fiscal year. No fee shall be decreased pursuant to this adjustment below the fee currently in effect on each December 31. In the event that this index is discontinued, the department shall consult with the Department of Finance to convert the increase calculations to an index then available. When approved by the Department of Finance, the new index shall replace the discontinued index.

(e) When fees are adjusted pursuant to subdivision (d), the department shall calculate the percentage increase as specified in that subdivision and shall apply this increase to each fee. The increase to each fee shall be rounded to the nearest whole five dollars (\$5). The adjusted fee list, to be effective on January 1 of the upcoming year, shall be published by the department on its internet website and transmitted in writing to the Chairperson of the Joint Legislative Budget Committee no later than 90 days before it becomes effective. This adjustment of fees and publication of the adjusted fee list is not subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

SEC. 5. Section 23320.1 of the Business and Professions Code is repealed.

~~23320.1. In addition to the licenses specified in Section 23320, the department may issue special onsale general licenses. The annual fee for such licenses shall be the same as the fee prescribed for onsale general licenses in Section 23320.~~

SEC. 6. Section 23320.5 of the Business and Professions Code is amended to read:

23320.5. (a) (1) In addition to the annual fees provided for in subdivision (b) of Section 23320, the department shall collect a surcharge of ten dollars (\$10).

(2) This section shall not apply to the following licenses: out-of-state beer manufacturer certificate (Type 26), out-of-state distilled spirits shipper certificate (Type 28), winegrape grower storage (Type 29), special on-sale beer and wine symphony (Type 65), bed and breakfast inn (Type 67), wine sales event permit (Type 81), direct shipper permit (Type 82), event permit (Type 77), special on-sale general; per room (Type 80), on-sale general caterer's (Type 83), certified farmers' market beer (Type 84), limited off-sale wine license (Type 85), and instructional tasting license (Type 86).

(b) (1) All money collected from the surcharge described in subdivision (a) shall be deposited in the Motor Vehicle Account in the State Transportation Fund, and shall be used for the Department of the California Highway Patrol's Designated Driver Program, when appropriated to the Department of the California Highway Patrol for that purpose.



(2) The Department of California Highway Patrol shall prioritize the expenditure of funds received pursuant to this subdivision for the Designated Driver Program's outreach and education activities in, and adjacent to, individual events or venues, including, but not limited to, stadiums, parks, entertainment complexes, and arenas.

SEC. 7. Section 23321.7 of the Business and Professions Code is amended to read:

23321.7. (a) The on-sale general bona fide public eating place intermittent dockside license for vessels of more than 7,000 tons displacement may be issued for any vessel of more than 7,000 tons displacement with cabin berth capacity for at least 75 passengers. Each license issuable under this section shall be used only in the county where issued, but a vessel qualified under this section may be issued such a license in more than one county. Notwithstanding the provisions of Section 23397, the licensee under each such license shall be authorized to sell alcoholic beverages to the general public aboard the vessel respecting which the license is issued when the vessel is securely lashed on berth in the county for which the license is issued, provided that such sales are incidental to the passenger operations of such vessel and such beverages are purchased from persons licensed to sell alcoholic beverages for resale in this state. In no event shall the rights under any such license be exercised in any county during more than 100 calendar days in any calendar year. ~~Notwithstanding~~

(b) ~~Notwithstanding~~ the provisions of Article 2 (commencing with Section 23815) of Chapter 5 of this division, there shall be ~~no~~ not be a limitation, other than provided in this section, on the number of licenses that may be issued under this section to applicants who meet its requirements. Except as otherwise specifically provided in this section, all provisions of this division shall apply to any license issued under this section in the same manner as such provisions apply to an on-sale general license issued for a bona fide public eating place, provided that ~~no a caterer's permit may~~ shall not be issued pursuant to Section 23399 with respect to any license issued hereunder, and provided further that any duplicate license issued pursuant to Section 24042 respecting such vessel shall bear the same fee as an on-sale general dockside license (Type 62) specified by subdivision ~~(35)~~ (b) of Section 23320.

SEC. 8. Section 23327 of the Business and Professions Code is amended to read:

23327. (a) Persons holding wine growers' licenses shall report annually at the end of each fiscal year, ~~at such the time and in such the manner~~ as the department may prescribe, the amount of wine produced by them during the fiscal year.

~~If~~

(b) If the total amount of wine produced during the year exceeds the amount permitted annually by the annual license fee already paid the department, the licensee shall pay such additional license fee as may be unpaid in accordance with the schedule provided in subdivision (b) of Section 23320.

SEC. 9. Section 23355.2 of the Business and Professions Code is amended to read:

23355.2. (a) For purposes of this section, "controlled access alcoholic beverage cabinet" means a closed container, either refrigerated, in whole or in part, or nonrefrigerated, and access to the interior of which is (1) restricted by means of a locking device which requires the use of a key, magnetic card, or similar device, or (2) controlled at all times by the licensee.



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(b) Notwithstanding any other provision of this division, a hotel or motel having an on-sale license may sell alcoholic beverages to its registered guests by means of a controlled access alcoholic beverage cabinet located in the guestrooms of those registered guests, provided that each of the following conditions is met:

(1) Access to a controlled access alcoholic beverage cabinet in a particular guestroom is provided, whether by furnishing a key, magnetic card, or similar device, or otherwise, only to the adult registered guest, if any, registered to stay in the guestroom.

(2) Prior to providing a key, magnetic card, or other similar device required to attain access to the controlled access alcoholic beverage cabinet in a particular guestroom to the registered guest thereof, or prior to otherwise providing access thereto to the registered guest, the licensee shall verify, in accordance with Article 3 (commencing with Section 25657), of Chapter 16 of this division, that each registered guest to whom a key, magnetic card, or similar device is provided, or to whom access is otherwise provided, is not a minor.

(3) All employees handling the alcoholic beverages to be placed in the controlled access alcoholic beverage cabinet in any guestroom, including, but not limited to, any employee who inventories or restocks and replenishes the alcoholic beverages in the controlled access alcoholic beverage cabinet, shall be at least 21 years of age.

(4) There is no replenishing or restocking of the alcoholic beverages in any controlled access alcoholic beverage cabinet between the hours of 2 a. m. and 6 a. m. of the same day.

(c) Notwithstanding any other provision of this division, a hotel or motel having an on-sale general license or an on-sale general license for restricted service lodging establishments may, upon issuance of a permit from the department, sell from its controlled access alcoholic beverage cabinets distilled spirits in containers of 50 milliliters or less, or in containers of comparable size. ~~The department shall charge an annual fee for a permit issued pursuant to this subdivision equal to the annual renewal fee applicable to an off-sale general license pursuant to Section 23320.~~

(d) Notwithstanding any other provision of this division, a hotel or motel having an on-sale general license or an on-sale general license for restricted service lodging establishments and an off-sale general license may sell from its controlled access alcoholic beverage cabinets distilled spirits in containers of 50 milliliters or less, or in containers of comparable size, without having to obtain the permit specified in subdivision (c).

(e) A controlled access alcoholic beverage cabinet may be part of another cabinet or similar device, whether refrigerated, in whole or in part, or nonrefrigerated, from which nonalcoholic beverages or food may be purchased by the guests in hotel or motel guestrooms. However, in that event, the portion of the cabinet or similar device in which alcoholic beverages are stored shall be a controlled access alcoholic beverage cabinet, as defined in this section.

(f) For purposes of this section, "hotel" or "motel" shall mean an establishment which is licensed to sell alcoholic beverages and which contains guestroom accommodations with respect to which the predominant relationship existing between the occupants thereof and the owner or operator of the establishment is that of innkeeper and guest. For purposes of this subdivision, the existence of other legal relationships as between some occupants and the owner or operator thereof shall be immaterial.



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SEC. 10. Section 23357.2 of the Business and Professions Code is amended to read:

23357.2. (a) An out-of-state beer manufacturer's certificate may be issued by the department upon the written undertaking and agreement by the applicant:

(1) That it and its agents and all agencies within this state controlled by it shall comply with all laws of this state and all rules of the department with respect to the sale of alcoholic beverages, including, but not limited to, Chapter 12 (commencing with Section 25000) of Division 9, and Section 25509, to the same extent as licensees.

(2) That it shall make available, both in California and outside the state, for inspection and copying by the department, all books, documents, and records, located both within and without this state, which are pertinent to the activities of the applicant, its agents and agencies within this state controlled by it, in connection with the sale and distribution of its products within this state.

(b) The department may suspend or revoke an out-of-state beer manufacturer's certificate for cause in the manner provided for the suspension or revocation of licenses, and after a hearing which shall be held in the City of Sacramento or in any other county seat in this state as the department determines to be convenient to the holder of an out-of-state certificate.

~~(c) The annual fees for an out-of-state beer manufacturer's certificate shall be fifty-four dollars (\$54) for certificates issued during the 2002 calendar year, fifty-seven dollars (\$57) for certificates issued during the 2003 calendar year, sixty dollars (\$60) for certificates issued during the 2004 calendar year, and for certificates issued during the years thereafter, the annual fee shall be calculated pursuant to subdivisions (c) and (d) of Section 23320.~~

~~(d) All money collected from the fees provided for in this section shall be deposited in the Alcohol Beverage Control Fund as provided by Section 25761.~~

SEC. 11. Section 23357.3 of the Business and Professions Code is amended to read:

23357.3. (a) A beer manufacturer's license or out-of-state beer manufacturer's certificate issued to a manufacturer located within the United States authorizes the licensee to conduct tastings of beer produced or bottled by, or produced or bottled for, the licensee, on or off the licensee's premises. Beer tastings may be conducted by the licensee off the licensee's premises only for an event sponsored by a nonprofit organization and only if persons attending the event are affiliated with the sponsor. No beer shall be sold or solicited for sale in that portion of the premises where the beer tasting is being conducted. Notwithstanding Section 25600, the manufacturer may provide beer without charge for any tastings conducted pursuant to this section.

(b) (1) For purposes of this section, "nonprofit organization" does not include any community college or other institution of higher learning, as defined in the Education Code, nor does it include any officially recognized club, fraternity, or sorority whether or not that entity is located on or off the institution's campus.

(2) For purposes of this section, "affiliated with the sponsor" means directors, officers, members, employees, and volunteers of bona fide charitable, fraternal, political, religious, trade, service, or similar nonprofit organizations and their invited guests.

(3) For purposes of this section, persons "affiliated with the sponsor" also includes up to three guests invited by persons described in paragraph (2).



(c) The sponsoring organization shall first obtain a permit from the department at a fee equal to the ~~actual cost of issuing the permit but not to exceed twenty-five dollars (\$25) per day.~~ fee for a special temporary license for beer and wine, as specified in Section 24045.

(d) The department may adopt rules and regulations as it determines to be necessary for the administration of this section.

SEC. 12. Section 23357.4 of the Business and Professions Code is amended to read:

23357.4. (a) (1) Notwithstanding any other provision of this division, an incorporated beer manufacturer's trade association may conduct beer tastings on behalf of one or more licensed beer manufacturers for public educational purposes. Beer tastings conducted by an incorporated beer manufacturer's trade association may be conducted for groups of individuals unaffiliated with a sponsoring nonprofit organization, provided that the participants do not exceed 100 in number at any beer tasting event.

~~No beer shall be sold or solicited for sale in that portion of the premises where the beer tasting is being conducted. Notwithstanding Section 25600, a licensed beer manufacturer may provide beer without charge to an incorporated beer manufacturer's trade association for any tastings conducted pursuant to this section.~~

(b) (1) For purposes of this section, "nonprofit organization" does not include any community college or other institution of higher learning, as defined in the Education Code, nor does it include any officially recognized club, fraternity, or sorority whether or not that entity is located on or off the institution's campus.

(2) For purposes of this section, "affiliated with the sponsor" means directors, officers, members, employees, and volunteers of bona fide charitable, fraternal, political, religious, trade, service, or similar nonprofit organizations and their invited guests.

(2) Beer shall not be sold or solicited for sale in that portion of the premises where the beer tasting is being conducted. Notwithstanding Section 25600, a licensed beer manufacturer may provide beer without charge to an incorporated beer manufacturer's trade association for any tastings conducted pursuant to this section.

(b) For purposes of this section:

(1) "Affiliated with the sponsor" means directors, officers, members, employees, and volunteers of bona fide charitable, fraternal, political, religious, trade, service, or similar nonprofit organizations and their invited guests.

(2) "Nonprofit organization" does not include any community college or other institution of higher learning, as defined in the Education Code, nor does it include any officially recognized club, fraternity, or sorority, whether or not that entity is located on or off the institution's campus.

(c) The incorporated beer manufacturer's trade association shall first obtain a permit from the department for each tasting event at a fee equal to the ~~actual cost of issuing the permit but not to exceed twenty-five dollars (\$25) per day.~~ fee for a special temporary license for beer and wine, as specified in Section 24045.

(d) The department may adopt rules and regulations as it determines to be necessary for the administration of this section.

SEC. 13. Section 23358.3 of the Business and Professions Code, as amended by Section 3 of Chapter 296 of the Statutes of 2010, is amended to read:



23358.3. A wine grape grower's storage license authorizes the holder to store bulk wine, made from grapes produced by the holder, on the premises of a licensed winegrower and to sell that wine, within this state, to winegrowers, distilled spirits manufacturers, brandy manufacturers, wine blenders, and vinegar producers.

~~The annual fee for a wine grape grower's storage license shall be sixty dollars (\$60) for licenses issued during the 2002 calendar year, sixty-four dollars (\$64) for licenses issued during the 2003 calendar year, sixty-seven dollars (\$67) for licenses issued during the 2004 calendar year, and for licenses issued during the years thereafter, the annual fee shall be calculated pursuant to subdivisions (c) and (d) of Section 23320.~~

SEC. 14. Section 23366.3 of the Business and Professions Code is amended to read:

23366.3. (a) An out-of-state distilled spirits shipper's certificate may be issued by the department upon the written undertaking and agreement by the applicant:

(1) That it and its agents and all agencies within this state controlled by it shall comply with all laws of this state and all rules of the department with respect to the sale of ~~alcoholic beverages, beverages.~~

(2) That it shall make available, both in California and outside the state, for inspection and copying by the department, all books, documents, and records, located both within and without the state, which are pertinent to the activities of the applicant, its agents and agencies within this state controlled by it, in connection with the sale and distribution of its products within this state.

(b) The department may suspend or revoke an out-of-state distilled spirits shipper's certificate for cause in the manner provided for the suspension and revocation of licenses, and after a hearing which shall be held in the City of Sacramento or in such other county seat in the state as the department determines to be convenient to the holder of an out-of-state distilled spirits shipper's certificate.

~~(c) The annual fees for an out-of-state distilled spirits shipper's certificate shall be fifty-four dollars (\$54) for certificates issued during the 2002 calendar year, fifty-seven dollars (\$57) for certificates issued during the 2003 calendar year, sixty dollars (\$60) for certificates issued during the 2004 calendar year, and for certificates issued during the years thereafter, the annual fee shall be calculated pursuant to subdivisions (c) and (d) of Section 23320.~~

~~(d) All money collected from the fees provided for in this section shall be deposited in the Alcohol Beverage Control Fund, as provided by Section 25761.~~

SEC. 15. Section 23375 of the Business and Professions Code is amended to read:

23375. (a) A public warehouse license authorizes the storage of alcoholic beverages for the account of another licensee, including storage in a United States customs bonded warehouse, a United States internal revenue bonded warehouse, and a United States bonded wine cellar.

(b) The department may issue to the holder of a public warehouse license a duplicate of the original public warehouse license for each additional warehouse operated by the licensee, which authorizes the exercise of all privileges of the original public warehouse license at the additional warehouse or warehouses. ~~The fee for a duplicate public warehouse license shall be one dollar (\$1).~~

(c) The term "duplicate public warehouse license," as used in this section, only applies herein.



SEC. 16. Section 23390 of the Business and Professions Code is amended to read:

23390. (a) A licensed winegrower or brandy manufacturer, in addition to exercising all the privileges of ~~his or her~~ their license at ~~his or her~~ their licensed premises, may exercise all ~~his or her~~ the license privileges at or from branch offices or warehouses, or United States bonded wine cellars located away from ~~his or her~~ the place of production or manufacture, other than the following privileges:

- (1) Production or manufacture.
- (2) The sale of wine or brandy to consumers for consumption on the premises in a bona fide eating place.
- (3) The sale or delivery of wine to consumers in containers supplied, furnished, or sold by the consumer.

(b) The department may issue to a winegrower or brandy manufacturer a duplicate of ~~his or her~~ the original license for a location or locations other than ~~his or her~~ the wine production or brandy manufacture premises. The duplicate license authorizes the maintenance and operation of each branch or warehouse or United States bonded wine cellar declared and designated by the winegrower or brandy manufacturer at the location for which the duplicate license is issued. ~~The fee for each duplicate winegrower's license and for each duplicate brandy manufacturer's license is as specified in Section 23320.~~

(c) Notwithstanding any other provision of law, the department may allow any person ~~who~~ that held more than one original winegrower's license, on or before January 1, 1981, to transfer any duplicate license which has been issued, on or before January 1, 1981, on any of the original winegrower's licenses to any other original winegrower's license held by that person, on or before January 1, 1981, provided that the licensee cancels the original winegrower's license from which any duplicate license is transferred. This subdivision shall not authorize any person to acquire any additional duplicate licenses other than those held by that licensee on or before January 1, 1981.

SEC. 17. Section 23393.5 of the Business and Professions Code is amended to read:

23393.5. (a) The department may issue a limited off-sale retail wine license which authorizes the sale of wine by the licensee if all of the following conditions are met:

- (1) Sales are restricted to those solicited and accepted via direct mail, telephone, or the ~~Internet~~ internet.
- (2) Sales are not conducted from a retail premises open to the public.
- (3) The licensee takes possession of and title to all wine sold by the licensee.
- (4) All wine sold by the licensee is delivered to the purchaser from the licensee's licensed premises or from a licensed public warehouse.

(b) The sale of wine shall only be to consumers and not for resale, in packages or quantities of 52 gallons or less per sale, for consumption off the premises where sold.

(c) The licensee shall comply with Section 23985, but is exempted from Sections 23985.5 and 23986.

(d) The department may impose reasonable conditions upon the licensee as may be needed in the interest of public health, safety, and welfare.



~~(e) The application for the license shall be accompanied by an original fee in an amount equivalent to that of an original off-sale beer and wine license pursuant to Section 23954.5. The annual fee for the license shall be an amount equivalent to that of a retail package off-sale beer and wine license pursuant to Section 23320. All moneys collected from the fees shall be deposited in the Alcohol Beverage Control Fund, pursuant to Section 25761.~~

SEC. 18. Section 23396.1 of the Business and Professions Code is amended to read:

23396.1. (a) An on-sale general license for restricted service lodging establishments authorizes those hotels and motels described in subdivision (b) to sell alcoholic beverages for consumption on the premises only as follows:

(1) By means of controlled access alcoholic beverage cabinets located in guestrooms, subject to the conditions specified in Section 23355.2.

(2) Under circumstances where the uniform cost of the alcoholic beverages is included in the price of the overnight transient occupancy accommodation, whether or not separately stated.

(3) Beer and wine in sealed containers to the licensee's transient guests and their invitees from a food sale area, as defined in subdivision (c), located within the lodging establishment itself.

(b) For purposes of this division, a "restricted service lodging establishment" is a hotel or motel, within the meaning of subdivision (f) of Section 23355.2, which meets all of the following conditions:

(1) It does not operate a bona fide eating place or other public premise.

(2) It has at least 10 guestroom accommodations.

(3) It does not derive more than 5 percent of its total gross annual revenues from sales of alcoholic beverages.

(c) "Food sale area" means a food facility, within the meaning of Section 113789 of the Health and Safety Code, that routinely offers for sale, throughout the area's normal hours of operation each day to all of the lodging establishment's transient guests and their invitees, primarily items like prepackaged sandwiches, salads, snacks, candy, dairy products, water, soft drinks, and other nonalcoholic beverages in bottles or cans, and similar food items. The "food sale area" may also offer for sale various items such as health and beauty aids, cosmetics, nonprescription drugs, film, batteries, and similar sundries.

(d) A premises licensed pursuant to this section shall not be authorized to sell or furnish alcoholic beverages to the general public, shall not be entitled to a caterer's permit pursuant to Section 23399, and shall not be entitled to exercise any off-sale privileges pursuant to Section 23401. The provisions of Article 2 (commencing with Section 23815) of Chapter 5 do not apply to the issuance of on-sale general licenses for restricted service lodging establishments. An on-sale general restricted service lodging establishment license may be transferred to another person but not to another location. A licensee specified in this section shall purchase no alcoholic beverages for sale in this state other than from a wholesaler or winegrower licensee.

~~(e) An applicant for an original on-sale general license for restricted service lodging establishments shall, at the time of filing the application for the license, accompany the application with a fee of six thousand dollars (\$6,000). The annual~~



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~~renewal fee for a license issued pursuant to this section shall be the same as the applicable annual renewal fee for an on-sale general license.~~

SEC. 19. Section 23396.2 of the Business and Professions Code is amended to read:

23396.2. (a) An on-sale general license for a wine, food and art cultural museum, and educational center and an on-sale general license for a wine and food cultural museum and educational center authorizes those persons described in subdivision (b) to sell, furnish, or give alcoholic beverages for consumption on the premises and off-sale privileges, as further qualified herein.

(b) (1) For purposes of this division, "a wine, food and art cultural museum, and educational center" is a person ~~which~~ that meets all the following conditions:

(A) The retail premises shall include an auditorium, concert terrace, exhibition gallery, teaching kitchen, and library and may be adjacent to a bona fide eating place as defined in Section 23038.

(B) The premises is located in the County of Napa, operated by a nonprofit entity that is exempt from payment of income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code, and includes real estate improvements of a value of at least forty-five million dollars (\$45,000,000).

(2) For purposes of this division, "a wine and food cultural museum and educational center" is a person that meets all the following conditions:

(A) The retail premises shall include an auditorium, exhibition gallery, teaching kitchen, and library and may be adjacent to a bona fide eating place as defined in Section 23038.

(B) The premises is located in the County of Sonoma, operated by a nonprofit entity that is exempt from payment of income taxes as an organization described in Section 501(c)(3) of the Internal Revenue Code, and includes real estate improvements of a value of at least ten million dollars (\$10,000,000).

(c) (1) The department shall upon request and qualification issue a licensee located in the County of Napa a duplicate of the original license for a premises located on commonly owned property contiguous to, or in close proximity to the original licensed premises. As used in this section, "close proximity" shall mean the original licensed premises is no further than 900 feet from the premises issued the duplicate license regardless of whether the two premises are separated by a public or private street, alley, or sidewalk.

(2) The department shall upon request and qualification issue a licensee located in the County of Sonoma a duplicate of the original license for a premises located on commonly owned, leased, or managed property contiguous to, or in close proximity to the original licensed premises. As used in this section, "close proximity" shall mean the original licensed premises is no further than 900 feet from the premises issued the duplicate license regardless of whether the two premises are separated by a public or private street, alley, or sidewalk.

(d) There shall be no limit as to the number of events held on a licensed premises or duplicate premises at which a person or persons issued caterer's permits under Section 23399 may sell alcoholic beverages so long as the on-sale general licensee surrenders its license privileges for any portion of the premises at which a catered event is held for the duration of the event.



(e) A licensee licensed under this section shall not be included in the definition of "public premises" under Section 23039.

(f) The provisions of Article 2 (commencing with Section 23815) of Chapter 5 do not apply to the issuance of a license issued pursuant to this section. A license issued pursuant to this section may be transferred to another person, qualified pursuant to subdivision (b), but not to another location. A licensee specified in this section shall purchase no alcoholic beverages for sale in this state other than from a wholesaler or winegrower licensee. Notwithstanding any other provision of this division, licensees may donate wine to a person licensed under this section.

(g) Notwithstanding any other provision of this division, a manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, distiller, bottler, or the holder of an importer's general license may hold the ownership of any interest, directly or indirectly, in the premises and in the license issued pursuant to this section, may serve as an officer, director, employee, or agent of that licensee, and may sponsor or fund educational programs, special fundraising and promotional events, improvements in capital projects, and the development of exhibits or facilities of and for that licensee provided the number of items of beer, wine, or distilled spirits by brand, exclusive of wine labeled for the licensee authorized in subdivision (a) of this section, offered for sale by the licensee, which are produced, bottled, rectified, distilled, processed, imported, or sold by an individual licensee holding an interest in, serving as an officer, director, employee or agent of, or sponsoring or funding the programs and projects of the retail licensee, does not exceed 15 percent of the total items of beer, wine, or distilled spirits by brand listed and offered for sale in the retail licensed premises.

~~(h) An applicant for an original on-sale general license for a wine, food and art cultural museum, and educational center or for an original on-sale general license for a wine and food cultural museum and educational center shall, at the time of filing the application for the license, accompany the application with a fee of twelve thousand dollars (\$12,000). The annual renewal fee for a license issued pursuant to this section shall be the same as the applicable renewal fee for an on-sale general license.~~

~~(i) An applicant for a duplicate on-sale general license for a wine, food and art cultural museum, and educational center or for a duplicate on-sale general license for a wine and food cultural museum and educational center shall, at the time of filing the application for the license, accompany the application with a fee equal to the license fee for an on-sale general license. The annual renewal fee for a duplicate license issued pursuant to this section shall be the same as the applicable renewal fee for an on-sale general license.~~

SEC. 20. Section 23396.3 of the Business and Professions Code is amended to read:

23396.3. (a) (1) A brewpub-restaurant license is a retail license which may be issued to a bona fide public eating place, as defined in Section 23038. The licensed premises shall have a minimum seven-barrel commercial brewing system located permanently onsite that is capable of producing at least seven barrels of beer per brewing cycle, and the licensee shall produce not less than 200 barrels nor more than 5,000 barrels of beer annually on the licensed premises. The license authorizes the sale of beer, wine, and distilled spirits for consumption on the premises, and the sale of beer produced by the brewpub-restaurant licensee for consumption on the premises. The



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license also authorizes the sale of beer produced by the licensed brewpub-restaurant licensee to a licensed beer and wine wholesaler, subject to the requirements of Chapter 12 (commencing with Section 25000). A brewpub-restaurant license does not authorize any of the following:

(A) The sale, furnishing, or exchange of any alcoholic beverages with any other brewpub-restaurant licensee, any licensed beer manufacturer regardless of any other licenses held by the licensed beer manufacturer, or any retail licensee in California.

(B) The sale, furnishing, or exchange of any beer produced on the licensed premises bearing the same trademark as any beer produced by a licensed beer manufacturer.

(C) A brewpub-restaurant licensee to engage a licensed beer manufacturer to produce beer for sale by the brewpub-restaurant licensee.

(2) Beer produced on the premises shall be offered for sale to consumers for consumption on the premises or off-premises in a bona fide manner. In determining whether the licensee is offering beer produced on the premises for sale in a bona fide manner, the department may consider, without limitation, whether, and the extent to which, the licensee actually sells beer manufactured on the licensed premises to consumers.

(b) A brewpub-restaurant licensee shall purchase all beer, wine, or distilled spirits for sale on the licensed premises from a licensed wholesaler or winegrower, except for the beer produced by the brewpub-restaurant licensee on the licensed premises.

(c) Notwithstanding any other law, a brewpub-restaurant licensee may label, bottle, package, or refill any container with beer produced on the licensed premises and may, at the licensed premises, sell beer produced and packaged by the licensee to consumers for consumption off the premises.

(d) A brewpub-restaurant licensee may donate or sell beer produced by the licensee to a nonprofit charitable corporation or association or a nonprofit incorporated trade association pursuant to subdivisions (a) and (b) of Section 25503.9, provided that beer donated pursuant to this section shall not count in the calculation of minimum amounts of beer required to be manufactured and sold pursuant to subdivision (a).

(e) A brewpub-restaurant licensee shall offer for sale on the licensed premises canned, bottled, or draft beer commercially available from licensed wholesalers.

(f) ~~(1) The fee for an original to transfer a brewpub-restaurant license shall be the same as that specified in Section 23954.5 for an original for an on-sale general license.~~

~~(2) The annual license fee for a brewpub-restaurant license shall be the same as that for an on-sale general license.~~

(g) An existing brewpub-restaurant license or a brewpub license issued pursuant to an application filed with the department prior to December 31, 2019, shall not be sold or transferred for a price greater than the original license fee paid by the seller or transferor.

(h) (1) The limitations provided in Section 23816 on the number of licensed premises shall not apply to a brewpub-restaurant license application submitted to the department prior to December 31, 2019.

(2) The limitations provided in Section 23816 on the number of licensed premises shall apply to a brewpub-restaurant license application submitted to the department on or after December 31, 2019.



(i) The licensee shall maintain records on a monthly or quarterly basis that are adequate to establish compliance with this section and to enable the department to identify which beer sold by a licensee was produced on the premises in order to establish the licensee's compliance with subdivisions (a) and (b). These records shall be maintained for a period of at least three years and shall be provided to the department within 30 days of receipt of the department's written request.

SEC. 21. Section 23396.6 of the Business and Professions Code is amended to read:

23396.6. (a) The department may issue to the holder of an off-sale retail license an instructional tasting license at the premises of the off-sale retail license. An instructional tasting license shall not be issued to any of the following:

(1) Off-sale licensees at locations where motor vehicle fuel is sold, unless the licensee operates a fully enclosed off-sale retail area encompassing at least 10,000 square feet.

(2) Off-sale licensees at locations with a total of less than 5,000 square feet of interior retail space, unless the calendar quarterly gross sales of alcoholic beverages at the licensed location comprise at least 75 percent of the total gross sales of all products sold at the licensed premises. A licenseholder that is issued an instructional tasting license pursuant to this paragraph shall maintain records that separately reflect the gross sales of alcoholic beverages and the gross sales of all other products sold on the licensed premises.

(b) The provisions of Article 2 (commencing with Section 23815) of Chapter 5 and Section 23958.4 shall not apply to the issuance of an instructional tasting license, except that the department may expressly deny the issuance of an instructional tasting license for any premises located in an area of undue concentration of licenses as defined in paragraph (1) of subdivision (a) of Section 23958.4. Notwithstanding paragraph (3) of subdivision (c), the provisions of Article 2 (commencing with Section 23985) and Article 3 (commencing with Section 24011) of Chapter 6 shall apply to the issuance of an instructional tasting license.

(c) Notwithstanding subdivision (a) of Section 23386 and paragraph (3) of subdivision (c) of Section 25612.5, an instructional tasting license authorizes the licenseholder to allow an authorized licensee or the designated representative of an authorized licensee, to conduct an instructional tasting event at which tastes of alcoholic beverages may be served to consumers subject to the following limitations, and the limitations set forth in Section 25503.56:

(1) (A) At all times during an instructional tasting event, the instructional tasting event area shall be separated from the remainder of the off-sale licensed premises by a wall, rope, cable, cord, chain, fence, or other permanent or temporary barrier. The licenseholder shall prominently display signage prohibiting persons under 21 years of age from entering the instructional tasting event area.

(B) A licenseholder that permits a person under 21 years of age to enter and remain in the instructional tasting event area during an instructional tasting event is guilty of a misdemeanor. Any person under 21 years of age who enters and remains in the instructional tasting event area during an instructional tasting event is guilty of a misdemeanor and shall be punished by a fine of not less than two hundred dollars (\$200), no part of which shall be suspended.



(C) The licenseholder shall not permit any consumer to leave the instructional tasting area with an open container of alcohol.

(2) The instructional tasting license shall not authorize the licenseholder to conduct any on-sale retail sales to consumers attending the instructional tasting event.

(3) Unless otherwise restricted, an instructional tasting event may take place between the hours of 10 a.m. and 9 p.m.

(d) Unless the context otherwise requires, the definitions set forth in Section 25503.56 govern the construction of this section.

~~(e) An applicant for an instructional tasting license under this section shall, at the time of filing the application for the license, accompany the application with a fee of three hundred dollars (\$300). The annual renewal fee for a license issued pursuant to this section shall be two hundred sixty-one dollars (\$261) and shall be subject to subdivisions (b) and (c) of Section 23320. Fees collected pursuant to this section shall be deposited in the Alcohol Beverage Control Fund.~~

SEC. 22. Section 23399 of the Business and Professions Code is amended to read:

23399. (a) An on-sale general license authorizes the sale of beer, wine, and distilled spirits for consumption on the premises where sold. Any licensee under an on-sale general license, an on-sale beer and wine license, a club license, or a veterans' club license may apply to the department for a caterer's permit. A caterer's permit under an on-sale general license shall authorize the sale of beer, wine, and distilled spirits for consumption at conventions, sporting events, trade exhibits, picnics, social gatherings, or similar events held any place in the state approved by the department. A caterer's permit under an on-sale beer and wine license shall authorize the sale of beer and wine for consumption at conventions, sporting events, trade exhibits, picnics, social gatherings, or similar events held any place in the state approved by the department. A caterer's permit under a club license or a veterans' club license shall authorize sales at these events only upon the licensed club premises.

(b) Any licensee under an on-sale general license or an on-sale beer and wine license may apply to the department for an event permit. An event permit under an on-sale general license or an on-sale beer and wine license shall authorize, at events held no more frequently than four days in any single calendar year, the sale of beer, wine, and distilled spirits only under an on-sale general license or beer and wine only under an on-sale beer and wine license for consumption on property adjacent to the licensed premises and owned or under the control of the licensee. This property shall be secured and controlled by the licensee and not visible to the general public.

(c) (1) This section shall in no way limit the power of the department to issue special licenses under the provisions of Section 24045 or to issue daily on-sale general licenses under the provisions of Section 24045.1. Consent for sales at each event shall be first obtained from the department in the form of a catering or event authorization issued pursuant to rules prescribed by it. Any event authorization shall be subject to approval by the appropriate local law enforcement agency. The daily fee for each catering or event authorization shall be issued at a fee not to exceed twenty-five dollars (\$25) and this fee shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761, based on the estimated attendance at each day of the event, as follows:

(A) One hundred dollars (\$100) when anticipated attendance is less than 1,000 people.



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(B) Three hundred twenty five dollars (\$325) when anticipated attendance is at least 1,000 people and less than 5,000 people.

(C) One thousand dollars (\$1,000) when anticipated attendance is five thousand people or more.

(2) All fees collected pursuant to this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.

(d) At all approved events, the licensee may exercise only those privileges authorized by the licensee's license and shall comply with all provisions of the act pertaining to the conduct of on-sale premises and violation of those provisions may be grounds for suspension or revocation of the licensee's license or permit, or both, as though the violation occurred on the licensed premises.

(e) The fee for a caterer's permit for a licensee under an on-sale general license, a caterer's permit for a licensee under an on-sale beer and wine license, or an event permit for a licensee under an on-sale general license or an on-sale beer and wine license shall be ~~one hundred four dollars (\$104) for permits issued during the 2002 calendar year, one hundred seven dollars (\$107) for permits issued during the 2003 calendar year, one hundred ten dollars (\$110) for permits issued during the 2004 calendar year, and for permits issued during the years thereafter, the annual fee shall be calculated pursuant to subdivisions (b) and (c) the annual fee as specified in~~ subdivision (b) of Section 23320, and the fee for a caterer's permit for a licensee under a club license or a veterans' club license shall be as specified in Section 23320, and the permit may be renewable annually at the same time as the licensee's license. A caterer's or event permit shall be transferable as a part of the license.

SEC. 23. Section 23399.4 of the Business and Professions Code is amended to read:

23399.4. (a) A licensed winegrower may apply to the department for a certified farmers' market sales permit. A certified farmers' market sales permit shall authorize the licensee, a member of the licensee's family, or an employee of the licensee to sell wine at a certified farmers' market at any place in the state approved by the department. The licensee may only sell wine that is produced entirely from grapes or other agricultural products grown by the winegrower and that is bottled by the winegrower. In addition, the permit will allow an instructional tasting event by the licensee on the subject of wine at a certified farmers' market. The permit may be issued for up to 12 months but shall not be valid for more than one day a week at any single specified certified farmers' market location. A winegrower may hold more than one certified farmers' market sales permit. The department shall notify the city, county, or city and county and applicable law enforcement agency where the certified farmers' market is to be held of the issuance of the permit. A "certified farmers' market" means a location operated in accordance with Chapter 10.5 (commencing with Section 47000) of Division 17 of the Food and Agricultural Code, and the regulations adopted pursuant thereto.

(b) (1) An instructional tasting event is subject to the authorization and managerial control of the operator of the certified farmers' market. The licensee, a member of the licensee's family, or an employee of the licensee may conduct an instructional tasting event for consumers on the subject of wine at a certified farmers' market.

(2) (A) At all times during an instructional tasting event, the instructional tasting event area shall be separated from the remainder of the market by a wall, rope, cable, cord, chain, fence, or other permanent or temporary barrier. Only one licensee may



conduct an instructional tasting event during the operational hours of any one certified farmers' market.

(B) The licensee shall not permit any consumer to leave the instructional tasting area with an open container of wine.

(c) The licensee shall not pour more than three ounces of wine per person per day.

(d) The licensed winegrower eligible for the certified farmers' market sales permit shall not sell more than 5,000 gallons of wine annually pursuant to all certified farmers' market sales permits held by any single winegrower. The licensed winegrower shall report total certified farmers' market wine sales to the department on an annual basis. The report may be included within the annual report of production submitted to the department, or pursuant to any regulation as may be prescribed by the department.

(e) Except as otherwise provided in this division or by the rules of the department, no premium, gift, free goods, or other thing of value shall be given away by the licensee, a member of the licensee's family, or an employee of the licensee in connection with an instructional tasting event conducted pursuant to this section that includes tastings of wine.

(f) The fee for any permit issued pursuant to this section shall be ~~fifty dollars (\$50)~~, subject to adjustment pursuant to subdivisions (b) and (c) the annual fee as specified in subdivision (b) of Section 23320.

~~(g) All money collected as fees pursuant to this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.~~

SEC. 24. Section 23399.45 of the Business and Professions Code is amended to read:

23399.45. (a) For the purposes of this section:

(1) "Certified farmers' market" means a location operated in accordance with Chapter 10.5 (commencing with Section 47000) of Division 17 of the Food and Agricultural Code.

(2) "Community event" means an event as defined by Section 113755 of the Health and Safety Code.

(b) (1) A licensed beer manufacturer may apply to the department for a certified farmers' market beer sales permit. Subject to the requirements of Chapter 10.5 (commencing with Section 47000) of Division 17 of the Food and Agricultural Code, and to the discretion and managerial control of a certified farmers' market or community event operator, respectively, a certified farmers' market beer sales permit shall authorize the licensee, a member of the licensee's family who is 21 years of age or older, or an employee of the licensee to sell packaged beer that has been manufactured by a beer manufacturer applying for the permit at a certified farmers' market, including any permitted community event area adjacent to, and operated in conjunction with, a certified farmers' market, located within the county or an adjacent county of the physical location of the licensed beer manufacturer.

(2) (A) A certified farmers' market beer sales permit shall also authorize an instructional tasting event on the subject of beer at a certified farmers' market, including any permitted community event area adjacent to, and operated in conjunction with, a certified farmers' market, located within the county or an adjacent county of the physical location of the licensed beer manufacturer.



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(B) An instructional tasting event is subject to the authorization and managerial control of the applicable operator of the certified farmers' market or community event. The licensee, a member of the licensee's family who is 21 years of age or older, or an employee of the licensee may conduct the instructional tasting event.

(C) At all times during an instructional tasting event, the instructional tasting event area shall be separated from the remainder of the market or community event by a wall, rope, cable, cord, chain, fence, or other permanent or temporary barrier.

(D) Only one licensed beer manufacturer may conduct an instructional tasting event during the operational hours of any one certified farmers' market or community event. The licensee shall not pour more than eight ounces of beer per person per day.

(E) The licensee shall not permit any consumer to leave the instructional tasting area with an open container of beer.

(c) Sales under the certified farmers' market beer sales permit shall only occur at a certified farmers' market or within a permitted community event area adjacent to, and operated in conjunction with, the certified farmers' market that is located within the same county or adjacent county of the location of the licensed beer manufacturer's manufacturing facility. The permit may be issued for up to 12 months but shall not be valid for more than one day a week at any single specified certified farmers' market or community event location. A beer manufacturer may hold more than one permit. The department shall notify the city, county, or city and county and the applicable law enforcement agency where the certified farmers' market or permitted community event is to be held of the issuance of the permit.

(d) The licensed beer manufacturer eligible for the certified farmers' market beer sales permit shall not sell more than 5,000 gallons of beer annually pursuant to all certified farmers' market beer sales permits held by any single beer manufacturer. The licensed beer manufacturer shall maintain records of annual beer sales made pursuant to all certified farmers' market beer sales permits issued.

~~(e) The fee for any permit issued pursuant to this section shall be fifty dollars (\$50), subject to adjustment pursuant to subdivisions (b) and (c) of Section 23320.~~

~~(f) All money collected as fees pursuant to this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.~~

SEC. 25. Section 23399.6 of the Business and Professions Code is amended to read:

23399.6. (a) Any licensee under a winegrower's license may apply to the department for a wine sales event permit. The wine sales event permit shall authorize the sale of bottled wine produced by the winegrower at festivals, state, county, district, or citrus fruit fairs, civic or cultural celebrations, or similar events approved by the department. The sale of the wine shall not be the primary purpose of the event, and the sale shall be for consumption off the premises where sold. The permit shall be valid for the entire duration of the event. The event shall be sponsored by an organization that is exempt from taxation under Section 23701a of the Revenue and Taxation Code, including state designated fairs as specified in Section 19418 of the Revenue and Taxation Code, or exempt from taxation under Section 23701b, 23701d, 23701e, 23701f, 23701g, 23701i, 23701k, 23701l, 23701r, or 23701w of the Revenue and Taxation Code.

(b) A wine sales event permit may not be used more than two times a month at a particular location.



(c) Consent for sales at each event shall be first obtained by an annual authorization issued by the department. The applicant for the wine sales permit is required to notify the city, county, or city and county where the event is being held at least five days prior to the event. At all events, a copy of the wine sales permit shall be maintained. The licensee may exercise only those privileges authorized by the licensee's license and shall comply with all provisions of the act pertaining to that license, and any violation of those provisions may be grounds for suspension or revocation of the licensee's license or permit, or both, as though the violation occurred on the licensed premises.

(d) (1) A licensee may not sell more than 5,000 gallons of wine annually pursuant to wine sales event permits issued under this section to that licensee.

(2) A licensee holding a wine sales event permit may not sell more than 1,250 gallons of wine per event.

(3) A licensee that is eligible to receive a certified farmers' market sales permit under Section 23399.4 and a wine sales event permit may not, under both permits collectively, sell more than a total of 5,000 gallons of wine annually.

(4) The licensee shall annually report to the department the total gallons of wine sold by that licensee under permits issued under this section to that licensee. The report may be included within the annual report of production submitted by the licensee to the department, or may be made in another manner as prescribed by the department in regulation.

(e) The sponsoring tax-exempt organization may charge a fee of the licensee for the licensee's use of display booth space. The fee, if paid, shall be comparable with, or less than, fees, or goods or services of equivalent value, paid by other vendors at the event for a similar booth size and location.

(f) The sponsoring tax-exempt organization shall allow the participation of more than one winegrower under a wine sales event permit at an event if public attendance at the event is expected to reach or exceed 1,000 attendees. The prior year's stated attendance for the event shall be used to determine the expected attendance.

(g) ~~(1) The fee for the authorization to utilize a wine sales permit shall be fifty dollars (\$50) per year, and the~~ The authorization may be renewable annually at the time of the licensee's license. The wine sales permit authorization shall be transferable as part of the license.

~~(2) All money collected as fees pursuant to this subdivision shall be deposited in the Alcohol Beverage Control Fund, as described in Section 25761, for allocation, upon appropriation by the Legislature, as provided in subdivision (d) of that section.~~

(h) The department may adopt any regulations as it determines to be necessary for the administration of this section.

SEC. 26. Section 23399.65 of the Business and Professions Code is amended to read:

23399.65. (a) A licensed beer manufacturer may apply to the department for a brewery event permit. A brewery event permit shall authorize the sale of beer produced by the licensee pursuant to Section 23357 for consumption on property contiguous and adjacent to the licensed premises owned or under the control of the licensee. The property shall be secured and controlled by the licensee.

(b) (1) ~~The annual~~ fee for a brewery event permit for a licensed beer manufacturer shall be ~~one hundred ten dollars (\$110) for a permit issued during the 2016 calendar~~



year, and for a permit issued during the years thereafter, the annual fee shall be calculated pursuant to subdivisions (b) and (c) the same as the event permit fee specified in subdivision (b) of Section 23320. The permit may be renewed annually at the same time as the licensee's license. A brewery event permit shall be transferable as a part of the license.

(2) For each brewery event, consent for the sale of beer pursuant to subdivision (a) at the brewery event shall be first obtained by the licensee from the department in the form of an event authorization issued by the department. An event authorization shall be subject to approval by the appropriate local law enforcement agency. The fee for each event authorization shall ~~not exceed twenty-five dollars (\$25); be the same as the event authorization fee specified in Section 23399.~~ The number of events authorized by a brewery event permit shall not exceed four in any calendar year.

(3) All moneys collected as fees pursuant to this subdivision shall be deposited in the Alcohol Beverage Control Fund, as described in Section 25761, for allocation, upon appropriation by the Legislature, as provided in subdivision (d) of that section.

(c) At all approved events, the licensee may exercise only those privileges authorized by the licensee's license and shall comply with all provisions of the act pertaining to the conduct of on-sale premises, and violation of those provisions may be grounds for suspension or revocation of the licensee's license or permit, or both, as though the violation occurred on the licensed premises.

(d) The department may adopt any regulations it determines to be necessary for the administration of this section.

SEC. 27. Section 23433 of the Business and Professions Code is amended to read:

23433. The department may issue an off-sale license to any golf club which has more than 400 bona fide members, which owns, maintains, or operates a regular golf links together with a clubhouse thereon, and which has operated the establishment for not less than 60 years, which license authorizes the sale, to consumers only and not for resale, of alcoholic beverages which an off-sale general licensee may sell, but only to bona fide members of the club and their bona fide guests. A license issued to a golf club pursuant to this section is not transferable. The provisions of Article 2 of Chapter 5 of this division do not apply to the issuance of a license pursuant to this section. The application fee for a license issued pursuant to this section shall be the same as the fee for a retail package off-sale general license as provided in subparagraph (A) of paragraph (2) of subdivision (a) Section 23320.

SEC. 28. Section 23502 of the Business and Professions Code is amended to read:

23502. (a) The department may issue a craft distiller's license to a person that has facilities and equipment for the purposes of, and is engaged in, the commercial manufacture of distilled spirits. The craft distiller's license authorizes the licensee to do all of the following:

(1) Manufacture distilled spirits. For purposes of this article, "manufacture" means the actual distillation of distilled spirits from naturally fermented materials or the redistillation of distilled spirits obtained from another manufacturer of distilled spirits.



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(2) Produce distilled spirits. For purposes of this article, "produce" means to mix, color, flavor, or blend distilled spirits, whether manufactured by the licensee or by another manufacturer of distilled spirits.

(3) Only sell distilled spirits that are manufactured or produced by the licensee solely to a wholesaler, manufacturer, winegrower, manufacturer's agent, or rectifier that holds a license authorizing the sale of distilled spirits or to persons that take delivery of those distilled spirits within this state for delivery or use without the state.

(4) Deal in warehouse receipts.

(5) Manufacture or produce up to 150,000 gallons of distilled spirits per fiscal year (July 1 through June 30), excluding brandy the craft distiller manufactures or has manufactured for it pursuant to a brandy manufacturer license, as reported to the department in the manner prescribed by the department for the fiscal year prior to the date of submitting an application for the license. At least 65 percent of the total volume of distilled spirits manufactured or produced shall be actually manufactured by the licensee. The volume of distilled spirits authorized by this paragraph shall be calculated by adding the volume of distilled spirits, less waste, drawn off the still with the volume of distilled spirits obtained by the licensee from any other source that is not redistilled by the licensee. For purposes of this paragraph, "volume" means the liquid volume and shall not be based on proof gallons or packaged goods.

(b) A craft distiller's license shall not be issued to any person, any officer, director, employee, or agent of such person, or any person who is affiliated with, directly or indirectly, a person that manufactures or has manufactured for them more than 150,000 gallons of distilled spirits per year within or without the state, excluding brandy it manufactures or has manufactured for them pursuant to a brandy manufacturer license, or to any person that is affiliated with, directly or indirectly, a wholesaler.

~~(c) (1) The fee for an original craft distiller's license issued pursuant to this section shall be consistent with the distilled spirits manufacturer's license and shall be adjusted pursuant to subdivisions (b) and (c) of Section 23320.~~

~~(2) The annual license fee for a craft distiller's license shall be consistent with the distilled spirits manufacturer's license and shall be adjusted pursuant to subdivisions (b) and (c) of Section 23320.~~

~~(3) All moneys collected as fees pursuant to this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.~~

~~(d)~~

(c) A licensed craft distiller shall report to the department, at the time of renewal in the manner prescribed by the department, the amount of distilled spirits manufactured or produced by the licensee specifying, as applicable, the respective amounts of distilled spirits the licensed craft distiller has manufactured itself, obtained from another manufacturer of distilled spirits, and imported, excluding brandy manufactured by or for the licensee pursuant to a brandy manufacturer license, during the previous fiscal year. If the report to the department establishes that the licensee no longer qualifies to hold a craft distiller's license because the licensee has either exceeded the 150,000 gallon manufacture or production limitation as specified in paragraph (5) of subdivision (a) or actually manufactured less than 65 percent of the total volume of distilled spirits as specified in paragraph (5) of subdivision (a), the department shall renew the license as a distilled spirits manufacturer's license.



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SEC. 29. Section 23661.3 of the Business and Professions Code is amended to read:

23661.3. (a) Notwithstanding any law, rule, or regulation to the contrary, any person currently licensed in this state or any other state as a winegrower who obtains a wine direct shipper permit pursuant to this section may sell and ship wine directly to a resident of California, who is at least 21 years of age, for the resident's personal use and not for resale.

Before sending any shipment to a resident of California, the wine direct shipper permitholder must:

(1) File an application with the department.
(2) Pay a ten-dollar (\$10) annual registration fee the application fee as specified in subdivision (a) of Section 23320 if the winegrower is not currently licensed by the department.

(3) Provide the department its California alcoholic beverage license number or a true copy of its current alcoholic beverage license issued by another state.

(4) Obtain from the department a wine direct shipper permit.

(5) Obtain a seller's permit or register with the State Board of Equalization pursuant to Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code.

(b) A wine direct shipper permit authorizes the permitholder to do all of the following:

(1) Sell and ship wine to any person 21 years of age or older ~~for his or her~~ their personal use and not for resale.

(2) Ship wine directly to a resident in this state only in containers that are conspicuously labeled with the words: "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OR OLDER REQUIRED FOR DELIVERY."

(3) Ship wine only if the permitholder requires the carrier to obtain the signature of any individual 21 years of age or older before delivering any wine shipped to an individual in this state.

(4) If the permitholder is located outside of this state, report to the department no later than January 31 of each year, the total amount of wine shipped into the state during the preceding calendar year under the wine direct shipper permit.

(5) If the permitholder is located outside of this state, pay to the State Board of Equalization all sales and use taxes, and excise taxes on sales to residents of California under the wine direct shipper permit. For excise tax purposes, all wine sold pursuant to a direct shipper permit shall be deemed to be wine sold in this state.

(6) If located within this state, provide the department any necessary additional information not currently provided to ensure compliance with this section.

(7) Permit the department or the State Board of Equalization to perform an audit of the wine direct shipper permitholder's records upon request.

(8) Be deemed to have consented to the jurisdiction of the department or any other state agency and the California courts concerning enforcement of this section any related laws, rules, or regulations.

(d)

(c) A wine direct shipper permitholder located outside of the state may annually renew its permit with the department by paying a ten-dollar (\$10) renewal registration fee an annual fee as specified in subdivision (b), and adjusted pursuant to subdivisions



(d) and (e) of Section 23320 and providing the department with a true copy of its current alcoholic beverage license issued by another state. A wine direct shipper permitholder located in California shall renew its wine direct shipper permit in conjunction with its master license. For purposes of this section, "master license" means a winegrower's license issued by the department.

(e)
(d) The department and the State Board of Equalization may promulgate rules and regulations to effectuate the purposes of this law.

(f)
(e) The department may enforce the requirements of this section by administrative proceedings to suspend or revoke the wine direct shipper permit, and the department may accept payment of an offer in compromise in lieu of suspension as provided by this division. Any hearing held pursuant to Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code against a permitholder outside of California shall be held in Sacramento.

(g)
(f) Sales and shipments of wine direct to consumers in California from winegrowers who do not possess a current wine direct shipper permit from the department are prohibited. Any person who knowingly makes, participates in, transports, imports, or receives such a shipment is guilty of a misdemeanor pursuant to Section 25617.

SEC. 30. Section 23786 of the Business and Professions Code is amended 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~~ their designee, the Chair of the Department of Viticulture and Enology, or ~~his or her~~ their designee, and the Chair of the Department of Food Science and Technology, or ~~his or her~~ their 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. 31. Section 23788.5 of the Business and Professions Code is amended to read:

23788.5. ~~No~~ An on-sale licensee shall not knowingly employ any person to manage, direct, or conduct the business who does not have the qualifications required of a holder of the license. Any on-sale licensee requesting the department to make a determination of qualifications of a proposed manager shall submit with an application for such services a fee of ~~one hundred dollars (\$100)~~ forty dollars (\$140), which shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761. This fee may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.

SEC. 32. Section 23803 of the Business and Professions Code is amended to read:

23803. (a) The department, upon its own motion or upon the petition of a licensee or a transferee who has filed an application for the transfer of the license, if it is satisfied that the grounds that caused the imposition of the conditions no longer exist, shall order their removal or modification, provided written notice is given to the local governing body of the area in which the premises are located. The local governing body has 30 days to file written objections to the removal or modification of any condition. The department may not remove or modify any condition to which an objection has been filed without holding a hearing as provided in Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) For purposes of this section, a situation in which the "grounds that caused the imposition of the conditions no longer exist" includes, but is not limited to, the situation in which there have been substantial changes in the totality of circumstances such that the department determines that the current circumstances reasonably justify the modification or removal of the conditions.

(c) Any petition for the removal or modification of a condition pursuant to this section shall be accompanied by a fee of ~~one hundred dollars (\$100)~~ four hundred seventy-five dollars (\$475). This fee may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.

SEC. 33. Section 23817.5 of the Business and Professions Code is amended to read:

23817.5. (a) (1) The number of premises for which an off-sale beer and wine license is issued shall be limited to one for each 2,500, or fraction thereof, inhabitants of the city or county in which the premises are situated. No additional off-sale beer and wine license, other than a renewal or transfer or as permitted by Section 23821, shall be issued in any city or county where the number of premises for which all off-sale beer and wine licenses are issued is more than one for each 2,500, or fraction thereof, inhabitants of the city or county.



(2) The number of premises for which an off-sale beer and wine license is issued in a city and county, in combination with the number of premises for which an off-sale general license is issued in a city and county, shall be limited to one for each 1,250, or fraction thereof, inhabitants of the city and county in which the premises are situated. No additional off-sale beer and wine license, other than a renewal or transfer or as permitted by Section 23821, shall be issued in any city and county where the number of premises for which all off-sale beer and wine licenses in combination with off-sale general licenses are issued is more than one for each 1,250, or fraction thereof, inhabitants of the city and county.

(b) (1) Notwithstanding subdivision (a), a retail off-sale beer and wine replacement license may be issued at a premises that was operated under an existing off-sale beer and wine license no less than 90 days prior to the date of application for the replacement license, provided that the existing licensee is subject to a bankruptcy proceeding and the existing licensee has no right to operate at the premises, or has abandoned the premises of that license.

(2) A replacement license shall not be issued if the existing license has been, or is in the process of being, transferred, or if the existing license has been canceled by the licensee or surrendered by the licensee pursuant to department rule.

(3) An application for a replacement license shall be accompanied by a fee of one hundred dollars (\$100) equivalent to the application fee for a retail package off-sale beer and wine license and all conditions imposed upon the existing off-sale beer and wine license at the premises shall be imposed upon the replacement license.

(4) Upon issuance of the replacement license, the off-sale beer and wine license existing at the premises shall be canceled by operation of law. A replacement license shall not be transferred to another premises.

SEC. 34. Section 23824 of the Business and Professions Code is amended to read:

23824. (a) Limitations provided by Section 23816 on the number of licensed premises shall not apply to premises located on land owned by and leased from the State of California, or to premises owned by the State of California, any incorporated city, county, city and county, airport district, or other district or public corporation of the State of California or to premises leased to the State of California or to any city or county, so long as the premises are operated as a bona fide public eating place, provided, however, that civic auditoriums owned by any incorporated city, county, city and county, or other district or any premises leased to the State of California or to any county or city for use as a civic auditorium and directly operated by a public entity shall be subject to the limitations provided by Section 23816, but shall not be required to be operated as a bona fide public eating place. The civic auditorium shall further not be subject to the provisions of Section 23793.

Licenses

(b) Licenses issued on premises owned by the state, incorporated city, county, city and county, airport district, or other district or public corporation of the State of California, or issued on premises leased to the State of California or to any county or city, shall be renewable as set forth in Section 24048. These licenses shall be excluded from the number of premises used in determining application of the limitations provided by this article. These licenses shall be subject to an original fee of six thousand dollars (\$6,000) and shall be only be transferable from person to person at the same premises.



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Prior to the issuance of these licenses, the governmental agency owning or leasing the premises shall file with the department a written request that the license be issued and a written statement setting forth the reasons why issuance of the license would be in the public interest.

~~A~~

(c) A written request filed with the department by the governmental agency owning or the city or county leasing premises used as a civic auditorium and directly operated as a public entity that the license be issued need not contain a written statement setting forth the reasons why issuance of the license would be in the public interest.

~~Funds derived from fees collected pursuant to the amendments made to this section at the 1975-76 Regular Session of the Legislature shall be deposited in the General Fund.~~

SEC. 35. Section 23826.8 of the Business and Professions Code is amended to read:

23826.8. (a) Notwithstanding any other provision of law, the director may authorize the conversion of any on-sale general license for seasonal business to an on-sale general license if the on-sale general license for seasonal business was originally issued before May 1, 1982, or if an application for original issuance of that license was filed before May 1, 1982, or, in the case of any county of the 34th class, if the on-sale general license for seasonal business was originally issued before October 1, 1982, or if an application for original issuance of that license was filed before October 1, 1982. An application for conversion shall be accompanied by the fee required by Section 23954.5 for an on-sale general license. the on-sale general licenses specified in subparagraph (B) of paragraph (2) of subdivision (a) of Section 23320. The department shall not accept any applications for original issuance of an on-sale general license for seasonal business on or after January 1, 1983.

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(b) An on-sale general license for seasonal business which is converted to an on-sale general license under this section may not be transferred for a period of two years from the date of issuance, except as provided in Section 24071, and except when the department determines that the transfer is necessary to prevent undue hardship. The purchase price or consideration that may be paid by a transferee or received by a transferor of an on-sale general license created by conversion under this section shall not exceed six thousand dollars (\$6,000), except that after a period of five years from the date of issuance of the license there shall be no restriction as to the purchase price or consideration that may be paid by a transferee or received by a transferor.

SEC. 36. Section 23826.13 of the Business and Professions Code is amended to read:

23826.13. (a) Notwithstanding any other provision of this chapter, in any county of the sixth class, the department may issue no more than a total of five new original neighborhood-restricted special on-sale general licenses to premises located in any of the census tracts listed in subdivision (b) per year beginning on January 1, 2017, until a total of 30 new licenses authorized by this section are issued.

(b) To qualify for a license issued pursuant to this section, the premises for which the license would apply shall be located within one of the following United States Bureau of Census census tracts located within the City and County of San Francisco, subject to the following limitations:



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(1) United States Bureau of the Census census tract 612000, 232000, 234000, 233000, or 230030. No more than a total of five neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within all of these tracts.

(2) United States Bureau of the Census census tract 258000 or 257020. No more than a total of four neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within all of these tracts.

(3) United States Bureau of the Census census tract 264030. No more than a total of two neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within this tract.

(4) United States Bureau of the Census census tract 255000, 256000, 260020, 260010, 260040, 261000, or 263010. No more than a total of five neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within all of these tracts.

(5) United States Bureau of the Census census tract 309000, 310000, or 312010. No more than a total of four neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within all of these tracts.

(6) United States Bureau of the Census census tract 330000, 329010, 328010, 353000, or 354000. No more than a total of five neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within all of these tracts.

(7) United States Bureau of the Census census tract 328020, 329020, 351000, or 352010. No more than a total of five neighborhood-restricted special on-sale general licenses shall be concurrently held at premises located within all of these tracts.

(c) In issuing the licenses pursuant to this section, the department shall follow the procedure set forth in Section 23961. A license shall not be issued pursuant to this section to an applicant until any existing on-sale licenses issued to the applicant for the same premises are canceled.

(d) (1) A person who currently holds an on-sale general license for a premises, who currently holds any interest in an on-sale general license for a premises, who has held an on-sale general license for a premises within the 12 months prior to the date of the drawing required by Section 23961, or who has held any interest in an on-sale general license for a premises within the 12 months prior to the date of the drawing required by Section 23961, shall not apply for a license issued pursuant to this section for that licensed premises.

(2) In addition to the other requirements of this section, an application for a neighborhood-restricted on-sale general license shall be subject to all the requirements that apply to an on-sale general license for a bona fide eating place.

(3) Prior to submitting an application for a license issued pursuant to this section, the applicant shall conduct a minimum of one preapplication meeting to discuss the application with neighbors and members of the community within the census tract in which the premises are located.

(A) The applicant shall hold the meeting either on the premises or at an alternate location within a one-mile radius of the premises.

(B) The applicant shall mail notification of the preapplication meeting to all of the following individuals and organizations at least 14 calendar days before the meeting:

(i) Each resident within a 500-foot radius of the premises for which the license is to be issued.



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(ii) Any relevant neighborhood associations for the neighborhood in which the premises is located, as identified on a list maintained by the Planning Department of the City and County of San Francisco.

(iii) The Chief of Police for the San Francisco Police Department.

(C) Applicants for a neighborhood-restricted special on-sale general license shall submit, on a form provided by the department, signed verification by the local governing body of the area in which the applicant premises are located, or its designated subordinated officer or body, that states the applicant has completed the preapplication meeting pursuant to this section.

(e) (1) A license issued pursuant to this section shall not be transferred between counties.

(2) A license issued pursuant to this section shall not be transferred to any other premises. This provision shall not apply to any licensee whose premises have been destroyed as a result of fire or any act of God or other force beyond the control of the licensee, for whom the provisions of Section 24081 shall apply.

(3) A license issued pursuant to this section shall not be transferred to any person, partnership, limited partnership, limited liability company, or corporation. This provision shall not apply to licenses transferred under Section 24071, 24071.1, or 24071.2.

(f) Following the cancellation or revocation of a license issued pursuant to this section, the department may issue one additional new original neighborhood-restricted special on-sale general license following the procedure set forth in Section 23961 and the provisions of this section.

(g) A person that holds a neighborhood-restricted special on-sale general license issued pursuant to this section shall not exchange ~~his or her~~ their license for an on-sale license for public premises.

(h) Except as specified herein, a neighborhood-restricted special on-sale general license may exercise all of the privileges, and is subject to all the restrictions, of an on-sale general license for a bona fide eating place.

(i) A neighborhood-restricted special on-sale general license issued pursuant to this section shall not, with respect to beer and wine, authorize the exercise of the rights and privileges granted by an off-sale beer and wine license.

~~(j) (1) The original and annual fees, and any additional fees and surcharges, shall be the same as those imposed upon an on-sale general license for a bona fide eating place.~~

~~(2) All moneys collected from the fees imposed pursuant to this section shall be deposited in the Alcohol Beverage Control Fund, pursuant to Section 25761.~~

~~(k)~~

(j) The department shall adopt rules and regulations to enforce the provisions of this section.

SEC. 37. Section 23954.5 of the Business and Professions Code is repealed.

23954.5. ~~(a) An applicant for an original on-sale general license shall, at the time of filing the application for the license, accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. At the time of filing an application for a license, an applicant for an original on-sale general license for seasonal business shall accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. An applicant for an original on-sale beer and wine license shall accompany the application with a fee of three~~



hundred dollars (\$300). An applicant for an original on-sale beer license shall accompany the application with a fee of two hundred dollars (\$200). An applicant for an original off-sale general license shall, at the time of filing the application for the license, accompany the application with a fee as determined by the department pursuant to subdivision (b) of this section. An applicant for an original off-sale beer and wine license or an original license not specified in this section, shall accompany the application with a fee of one hundred dollars (\$100).

"Original on-sale general license," "original on-sale general license for seasonal business," "original on-sale beer and wine license," "original on-sale beer license," "original off-sale general license," and "original off-sale beer and wine license," as used in this division, do not include a license issued upon renewal or transfer of a license.

(b) The fee for an original on-sale general license or an original off-sale general license shall be thirteen thousand eight hundred dollars (\$13,800). Beginning January 1, 2011, and each January thereafter, the department may adjust this fee as provided in subdivisions (c) and (d) of Section 23320.

(c) All money collected from the fees provided for in this section shall be in the Alcohol Beverage Control Fund as provided in Section 25761.

SEC. 38. Section 23954.6 of the Business and Professions Code is amended to read:

23954.6. As used in Section 23954.5, subparagraph (B) of paragraph (2) of subdivision (a) of Section 23320, "original ~~onsale~~ on-sale general license" includes an original special ~~onsale~~ on-sale general license; provided, that the fee prescribed in Section 23954.5 that subparagraph shall not be required in connection with the exchange of an ~~onsale~~ on-sale general license for a special ~~onsale~~ on-sale general license, or for the exchange of a special ~~onsale~~ on-sale general license for an ~~onsale~~ on-sale general license.

SEC. 39. Section 23954.7 of the Business and Professions Code is repealed.

23954.7. An applicant for an original on-sale general bona fide public eating place intermittent dockside license for vessels of more than 7,000 tons displacement shall, at the time of filing the application for the license, accompany the application with a fee of two thousand dollars (\$2,000), but such fee shall not be payable upon the renewal or transfer of such license.

SEC. 40. Section 23959 of the Business and Professions Code is amended to read:

23959. If an application is denied or withdrawn, ~~one-fourth of the license fee paid, or not more than one hundred dollars (\$100), the nonrefundable portion of the license application fee~~ shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761. The balance of this ~~amount~~ amount, if any, shall be credited on any taxes then due from the applicant under Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code or the Sales and Use Tax Law, and the remaining ~~portion~~ portion, if any, shall be returned to the applicant.

SEC. 41. Section 23961 of the Business and Professions Code is amended to read:

23961. (a) (1) If, at the conclusion of the period prescribed by the department for the filing of applications for issuance or transfer of ~~onsale~~ on-sale general licenses or ~~offsale~~ off-sale general licenses in any county in its notice of intention to receive



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applications therefor published pursuant to Sections 23821 and 24070, the department finds that there are more applicants for the particular type of license than there are licenses available for issuance or transfer under Sections 23821 and 24070 the department shall, within 60 days following the conclusion of said period, conduct a drawing to determine the priority in which all of such applications filed with it shall be considered. No more than one such drawing shall be made in any county in any one year, and no person will be entitled to more than one opportunity to participate in such a drawing in any county with respect to an application for issuance or transfer of any one type of license. The number drawn by any applicant shall indicate the priority to be given to the consideration of ~~his~~ the application but shall not insure the issuance of a license by the department.

(2) In order to participate in the drawing, an applicant shall pay a fee in an amount equal to the fee for licenses identified in paragraph (2) of subdivision (a) of Section 23320. Any participant that does not file a formal application shall receive a refund of the fee less a service charge of one hundred dollars (\$100). Any participant that files a formal application and whose application is thereafter denied or withdrawn is entitled to the refund specified in Section 23320.

(b) If a drawing is not conducted as provided in subdivision (a) of this section, applications for issuance of original ~~on-sale~~ on-sale general licenses and ~~off-sale~~ off-sale general licenses in a county or transfer of ~~such~~ the licenses into ~~such~~ the county shall be made and considered as otherwise provided in this article.

(c) No person shall be qualified to participate in such a drawing unless such applicant is a resident of California for at least 90 days prior to the drawing. Prior to the issuance of any license, pursuant to such a drawing, the applicant shall present proof of such residency status. A corporation incorporated in a state other than California, but registered with the Secretary of State to do business in California for 90 days, shall be deemed to have satisfied the residency requirement for the purpose of this section.

(d) The department shall advertise, in connection with a drawing conducted pursuant to this section, that participation in such a drawing is available only to California residents.

SEC. 42. Section 24042 of the Business and Professions Code is amended to read:

24042. (a) Any licensee under an on-sale general license or an on-sale general license for seasonal business who maintains upon or within the premises for which the license is issued more than one room in which there is regularly maintained a fixed counter or service bar at which distilled spirits are served to members of the public for consumption within the licensed premises shall obtain from the department, and the department may upon request issue, a duplicate of ~~his or her~~ the original license for each room, in excess of one, containing a fixed counter or service bar and shall post a duplicate of ~~his or her~~ the original license in each room. Failure to obtain the duplicate licenses and to pay the ~~fees and renewal~~ fees, as specified in Section 23320, shall subject the licensee to the penalties imposed by this division for failure to obtain an original license or to pay the ~~renewal~~ annual fees therefor.

~~The~~

(b) The duplicate license may be issued to a room reserved for the exclusive use of designated patrons, provided that the department shall, in the event the license is



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issued, endorse upon the license the terms and conditions under which the privileges conferred by the said license may be exercised, and provided further that upon the receipt by the department of the request for the duplicate license written notice thereof which shall consist of a copy of the request shall immediately be mailed by the department to the sheriff or chief of police within whose jurisdiction the premises are situated and no duplicate license shall be issued by the department until at least 30 days after such mailing. Upon receipt by the department within 30 days of a protest by the sheriff or chief of police within whose jurisdiction the premises are situated, the department shall not issue the duplicate license until after a hearing is held by the department within the county or city affected and said hearing shall be conducted in accordance with Chapter 5 (commencing with Section 11500), Part 1, Division 3, Title 2 of the Government Code and the department shall have all the powers granted therein.

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(c) A licensee under an on-sale general license, or an on-sale general license for seasonal business, issued for a bona fide public eating place may obtain a duplicate license or licenses under this section for rooms which constitute public premises, as defined in Section 23039, and a licensee under the license issued for public premises may obtain a duplicate license or licenses under this section for rooms which constitute bona fide public eating places, except that a duplicate license or licenses for rooms which constitute bona fide public eating places shall only be issued after the department has made the investigation and determination required by Section 23787. Rooms which constitute bona fide public eating places shall not be considered public premises, as defined in Section 23039, and the provisions of this division applicable solely to these public premises shall not be applicable to these rooms.

SEC. 43. Section 24042.5 of the Business and Professions Code is amended to read:

24042.5. Notwithstanding any other provision of this division, any licensee under an on-sale general or on-sale general license for seasonal business who has a premises with a fixed counter or service bar in one room of the premises for the service of distilled spirits to members of the public for consumption on the premises and who has other rooms on the premises which can be utilized for the same purposes by means of a portable bar counter may elect to request the department to license the portable bar counter itself rather than the additional rooms as provided in Section 24042. However, if two or more portable bar counters are utilized at the same time, in the same room, only one portable bar shall be required to be licensed. The licensee shall pay to the department at the time of the application for each portable bar counter an amount equal to the license fee payable for a like period for the distilled spirits privileges of the original on-sale general license or on-sale general license for seasonal business. Failure to obtain the portable bar counter license and to pay the fees and renewal fees, as specified in Section 23320, shall subject the licensee to the penalties imposed by this division for failure to obtain an original license or pay the ~~renewal~~ annual fees therefor.

SEC. 44. Section 24044.5 of the Business and Professions Code is amended to read:

24044.5. (a) The department, in its discretion, may issue an interim operating permit to an applicant for any license to operate the premises during the period an



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application for a license at the premises is pending and when all of the following conditions exist:

(1) The application has been protested pursuant to Article 3 (commencing with Section 24011).

(2) The department has made a determination based upon its investigation that the license should be issued.

(3) The applicant for the interim operating permit has filed with the department an application for issuance of a license at the premises to ~~himself or herself~~ themselves.

(4) The application for the interim operating permit is accompanied by a fee of ~~one hundred dollars (\$100); nonrefundable fee of one hundred forty-five dollars (\$145).~~ This fee may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.

(b) An interim operating permit issued by the department pursuant to this section shall be for a period not to exceed 120 days. An interim operating permit may be extended at the discretion of the department for additional 120-day periods as necessary upon payment of an additional fee of one hundred dollars (\$100) and upon compliance with all conditions required by this section. Any interim operating permit issued by the department shall be automatically canceled when a final determination made by the department regarding the protests becomes effective or when the application for the license is withdrawn, whichever occurs first. An interim operating permit is a conditional permit and authorizes the holder to whom issued to exercise the rights and privileges of the license for which the application has been filed with the department. Any conditions for which the applicant has petitioned pursuant to Article 1.5 (commencing with Section 23800) of Chapter 5 shall apply to any interim operating permit issued by the department.

(c) Purchase of beer and wine by the holder of an interim operating permit issued to an applicant for a retail license shall be made only upon payment before or at the time of delivery in currency or by check. Purchase of distilled spirits by the holder of an interim operating permit issued to an applicant for a retail license shall be made only upon payment before or at the time of delivery in currency or by certified check. However, the holder of an interim operating permit issued to an applicant for a retail license, who also holds one or more retail licenses and is operating under the retail license or licenses in addition to the interim operating permit, and who is not delinquent under the provisions of Section 25509 as to any retail license under which ~~he or she operates; they operate,~~ may purchase alcoholic beverages on credit under the interim operating permit.

(d) All checks received by a seller for beer or wine purchased by the holder of an interim operating permit issued to an applicant for a retail license shall be deposited not later than the second business day following the date the beer or wine is delivered.

A check dishonored on presentation shall not be deemed payment. The receipt by the seller or ~~his or her~~ their agent in good faith from a holder of an interim operating permit of a check dishonored on presentation shall not be cause for disciplinary action against the seller.

(e) Issuance of the license for which the holder of an interim operating permit issued to an applicant for a retail license has filed an application shall not be approved by the department until the holder of the interim operating permit has filed with the department a statement executed under penalty of perjury that all current obligations



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have been discharged, and that all outstanding checks issued by ~~him or her~~ them in payment for alcoholic beverages will be honored on presentation.

(f) It shall not be a violation of this section or grounds for disciplinary action for any licensee to extend credit to the holder of an interim operating permit issued to an applicant for a retail license or to receive payment from the holder of an interim operating permit in a manner other than authorized herein unless the seller has knowledge of the fact that the purchaser was operating under an interim operating permit. Knowledge of the fact may be established by evidence, including, but not limited to, evidence that, at the time of receipt of payment or the extension of credit, the premises operated under an interim operating permit were posted with the notice required by Section 23985, or the holder of the interim operating permit has recorded notice as required by Section 24073, or the holder of the interim operating permit has published notice as required by Section 23986, or the holder of the interim operating permit has recorded and published notice pursuant to Division 6 (commencing with Section 6101) of the Commercial Code.

(g) Refusal by the department to issue or extend an interim operating permit shall not entitle the applicant to petition for the permit pursuant to Section 24011, or to a hearing pursuant to Section 24012. Articles 2 (commencing with Section 23985) and 3 (commencing with Section 24011) shall not apply to interim operating permits.

(h) Notwithstanding any other provision of law, the department may, in its discretion, cancel or suspend summarily at any time an interim operating permit if the department determines that good cause for the cancellation or suspension exists. Chapter 8 (commencing with Section 24300) shall not apply to interim operating permits.

(i) Application for an interim operating permit shall be on any form the department shall prescribe. ~~If an application for an interim operating permit is withdrawn before issuance or is refused by the department, the fee that accompanied the application shall be refunded in full, and Section 23959 shall not apply.~~ Fees received by the department for issuance of interim operating permits shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.

SEC. 45. Section 24045 of the Business and Professions Code is amended to read:

24045. (a) All licenses, except on-sale general licenses for seasonal businesses and daily on-sale general licenses issued pursuant to Section 24045.1, shall be issued on an annual basis. However, the department may issue special licenses for the sale of beer ~~or~~ and wine on a temporary basis for premises temporarily occupied by the licensee for a picnic, social gathering, or similar occasion at a fee equal to the actual cost of issuing the license, but not to exceed ~~twenty-five dollars (\$25)~~ fifty dollars (\$50) per day.

(b) Notwithstanding subdivision (a), a license transferred pursuant to Section 24071 or 24071.1 shall be issued for the unexpired term remaining on the license of the transferor.

(c) The director may assign or reassign dates for the expiration of licenses issued pursuant to this section. The director may establish a registration year for any license issued pursuant to subdivision (a) consisting of any period from six months to 18 months, inclusive, and shall prorate related annual fees to the extent the registration year is greater or less than 12 months, with subsequent renewals being required at yearly intervals.



SEC. 46. Section 24045.1 of the Business and Professions Code is amended to read:

24045.1. (a) The department, in its discretion, may issue on a temporary basis a daily on-sale general license and the fee for such license shall be ~~twenty-five dollars (\$25)~~ seventy-five dollars (\$75) per day. ~~Such~~ The license authorizes the sale of distilled spirits, wine, and beer for consumption on the premises where sold, and no off-sale privileges shall be exercised under ~~such the~~ license. A daily on-sale general license may only be issued to a political party or affiliate supporting a candidate for public office or a ballot measure, an organization formed for a specific charitable or civic purpose, a fraternal organization in existence for over five years with a regular membership, or a religious organization. Distilled spirits sold under a daily on-sale general license shall have been purchased at retail from the holder of an off-sale general license.

~~The~~

(b) The department may adopt such rules as it determines to be necessary to implement and administer the provisions of this section, including, but not limited to, limitations on the number of times during any calendar year a qualified organization may be issued a license provided for by this section.

~~The~~

(c) The provisions of Article 2 (commencing with Section 23815) of Chapter 5 and Article 2 (commencing with Section 23985) of Chapter 6 of this division shall not be applicable to the licenses provided for by this section.

SEC. 47. Section 24045.7 of the Business and Professions Code is amended to read:

24045.7. (a) (1) The department may issue a special on-sale general license to any nonprofit theater company that is exempt from the payment of income taxes under Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of the United States. Any special on-sale general license issued to a nonprofit theater company pursuant to this subdivision shall be for a single specified premises only.

(2) Theater companies holding a license under this subdivision may, subject to Section 25631, sell and serve alcoholic beverages to ticketholders only during, and two hours prior to and one hour after, a bona fide theater performance of the company.

(3) Notwithstanding any other provision in this division, a licensed manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler, or any officer, director, employee, or agent of that person, may serve on the board of trustees or as an officer, director, or employee of a nonprofit theater company operating a theater in Napa County or the City of Livermore licensed pursuant to this subdivision.

~~(4) An applicant for such a license shall accompany the application with an original issuance fee of one thousand dollars (\$1,000) and shall pay an annual renewal fee as provided in Section 23320.~~

~~(5)~~

(4) The Legislature finds that it is necessary and proper to require a separation between manufacturing interests, wholesale interests, and retail interests in the production and distribution of alcoholic beverages in order to prevent suppliers from dominating local markets through vertical integration and to prevent excessive sales



of alcoholic beverages produced by overly aggressive marketing techniques. The Legislature further finds that the exceptions established by this subdivision to the general prohibition against tied interests must be limited to their express terms so as not to undermine the general prohibition, and intends that this section be construed accordingly.

(b) (1) The department may issue a special on-sale beer and wine license to any nonprofit theater company which has been in existence for at least eight years, which for at least six years has performed in facilities leased or rented from a local county fair association, and which is exempt from the payment of income taxes under Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of the United States.

(2) Theater companies holding a license under this subdivision may, subject to Section 25631, sell and serve beer and wine to ticketholders only during, and two hours prior to, a bona fide theater performance of the company. Beer and wine may be sold from an open-air concession stand which is not attached to the theater building itself, if the concession stand is located on fair association property within 30 feet of the theater building and the alcoholic beverages sold are consumed only in the theater building itself, or within a designated outdoor area in front of and between the concession stand and the main public entrance to the theater building. Nothing in this section permits a theater company to sell beer or wine during the run of a county fair.

~~(3) An applicant for a license under this subdivision shall accompany the application with an original issuance fee equal to the annual renewal fee and shall pay an annual renewal fee as provided in Section 23320.~~

SEC. 48. Section 24045.76 of the Business and Professions Code is amended to read:

24045.76. (a) The department may issue a special on-sale general license to the operator of any for-profit cemetery that is more than 100 years old, on the National Register of Historic Places, is located in, and designated an Historic-Cultural Monument by, the City of Los Angeles, and holds both an endowment care fund and a memorial care fund that are exempt from the payment of income taxes under Section 501(c)(13) of the Internal Revenue Code.

(b) The special on-sale general license shall permit sales, service, and consumption of beer, wine, and distilled spirits on the licensed premises. Any special on-sale general license issued pursuant to this section shall not be subject to the limitations provided by Section 23816 and shall not be required to be operated as a bona fide public eating place.

(c) A special on-sale general license described by this section shall not be issued until any existing licenses issued by the department to the operator for the premises of the for-profit cemetery are canceled.

~~(d) (1) The fee for the original special on-sale general license shall be the same as that specified in Section 23954.5 for an original on-sale general license.~~

~~(2) The annual license fee for the special on-sale general license shall be the same of that for an on-sale general license.~~

SEC. 49. Section 24045.85 of the Business and Professions Code is amended to read:

24045.85. (a) The department may issue a special on-sale beer, wine, or distilled spirits license to any symphony association organized as a nonprofit corporation more



than 30 years before the date of application and which is exempt from the payment of income taxes under Section 23701d of the Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code of 1954 of the United States.

~~A~~

(b) A symphony association holding a license under this section may sell and serve alcoholic beverages only to persons attending concerts on the licensed premises. Sales of alcoholic beverages shall only be permitted, subject to Section 25631, during the period commencing two hours before the performance and ending one hour after the performance.

~~The applicant for a license shall accompany the application with an original fee of three hundred dollars (\$300) and shall pay an annual renewal fee as provided in Section 23320.~~

~~Original~~

(c) Original licenses may be issued pursuant to this section until January 1, 1987; thereafter no new licenses shall be issued. Licenses originally issued pursuant to this section prior to January 1, 1987, may continue to be renewed annually by the holder thereof.

SEC. 50. Section 24045.11 of the Business and Professions Code is amended to read:

24045.11. (a) The department may issue a special on-sale wine license to an establishment licensed to do business as a bed and breakfast inn.

~~“Bed~~

(b) For purposes of this section, ~~“bed and breakfast inn,” as used in this section, inn”~~ means an establishment of 20 guestrooms or less, which provides overnight transient occupancy accommodations, which serves food only to its registered guests, which serves only a breakfast or similar early morning meal, and with respect to which the price of the food is included in the price of the overnight transient occupancy accommodation. ~~For purposes of this section, “bed~~ “Bed and breakfast inn” refers to an establishment as to which the predominant relationship between the occupants thereof and the owner or operator of the establishment is that of innkeeper and guest. ~~For purposes of this section, guest, and the existence of some other legal relationships as between some occupants and the owner or operator is immaterial.~~

~~An~~

(c) An establishment holding a license under this section is authorized to serve wine purchased from a licensed winegrower or wine wholesaler only to registered guests of the establishment. Wine shall not be given away to guests but the price of the wine shall be included in the price of the overnight transient occupancy accommodation. Guests shall not be permitted to remove wine served in the establishment from the grounds.

~~The applicant for a license shall accompany the application with an original fee of fifty dollars (\$50) and shall pay an annual renewal fee of six dollars (\$6) for each guestroom in the establishment until December 31, 2004, and for each year thereafter the annual fee shall be calculated pursuant to subdivisions (b) and (c) of Section 23320.~~

SEC. 51. Section 24045.12 of the Business and Professions Code is amended to read:

24045.12. (a) The department may issue a special on-sale general license to an establishment licensed to do business as a bed and breakfast inn.



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(b) ~~For purposes of this section, "bed and breakfast inn," as used in this section, inn~~ means an establishment of 20 guestrooms or fewer, that provides overnight transient occupancy accommodations, that serves food only to its registered guests, that serves only a breakfast or similar early morning meal, and with respect to which the price of the food is included in the price of the overnight transient occupancy accommodation. ~~For purposes of this section, "bed~~ "Bed and breakfast inn" refers to an establishment as to which the predominant relationship between the occupants thereof and the owner or operator of the establishment is that of innkeeper and guest. ~~For purposes of this section, guest, and the existence of some other legal relationship as between some occupants and the owner or operator is immaterial.~~

(c) An establishment holding a license under this section is authorized to serve any alcoholic beverage, as defined in Section 23004, only to registered guests of the establishment. The alcoholic beverage may not be given away to guests, but the price of the beverage shall be included in the price of the overnight transient occupancy accommodation. Guests may not be permitted to remove any alcoholic beverage served in the establishment from the grounds.

(d) An establishment holding a license under this section shall purchase all beer, wine, or distilled spirits for sale on the licensed premises from a licensed wholesaler or winegrower.

(e) ~~The applicant for a license shall accompany the application with an original fee of two hundred dollars (\$200) and shall pay an annual renewal fee of fifteen dollars (\$15) for each guestroom in the establishment, not to exceed a total of two hundred dollars (\$200).~~

(f)

(e) A special on-sale general bed and breakfast inn license may be transferred to another person but not to another location.

SEC. 52. Section 24045.14 of the Business and Professions Code is amended to read:

24045.14. (a) Notwithstanding any other provision of this division, the department may issue an on-sale general license to any maritime museum association that has been organized as a nonprofit corporation more than 40 years before the date of application, that owns in its museum inventory not less than three vessels, each of which is 100 feet or more in length, and that is exempt from the payment of income taxes under Section 501(c)(3) of the Internal Revenue Code of 1986.

(b) A maritime museum association holding a license under this section may sell and serve alcoholic beverages only to persons attending prearranged events held onboard its vessels while those vessels are underway or while moored at their home port dock.

(c) A duplicate license shall be required for each vessel in excess of one if alcoholic beverages are sold on the vessel more than 24 times each year.

(d) ~~The original application shall be accompanied by a fee of five hundred dollars (\$500) and the applicant shall pay an annual renewal fee and a renewal fee for each duplicate as provided for in subdivision (34) of Section 23320.~~

(e)

(d) Original licenses may be issued pursuant to this section until January 1, 1998.

SEC. 53. Section 24047 of the Business and Professions Code is amended to read:



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24047. Whenever a license certificate is in effect and is lost or destroyed, the department shall issue a duplicate license upon the payment of a fee of ~~five dollars and fifty cents (\$5.50)~~ twenty-five dollars (\$25).

SEC. 54. Section 24048 of the Business and Professions Code is amended to read:

24048. Every license, other than a temporary license or a daily on-sale general license issued pursuant to Section 24045.1, is renewable unless the license has been revoked if the renewal application is made and the fee therefor is paid. All licenses expire at 12 midnight on the last day of the month posted on the license. All licenses issued shall be renewed as follows:

(a) On or before the first of the month preceding the month posted on the license, the department shall mail to each licensee at ~~his or her~~ their licensed premises, or at any other mailing address that the licensee has designated, an application to renew the license.

(b) The application to renew the license may be filed before the license expires upon payment of the annual fee as set forth in ~~Section 23320, 23358.3, or 23399, subdivision (b) of Section 23320.~~

(c) For 60 days after the license expires, the license may be renewed upon payment of the annual renewal fee as set forth in ~~Section 23320, 23358.3, or 23399, subdivision (b) of Section 23320,~~ plus a penalty fee that shall be equal to 50 percent of the annual fee.

(d) Unless otherwise terminated, or unless renewed pursuant to subdivision (b) or (c) of this section, a license that is in effect on the month posted on the license continues in effect through 2 a.m. of the 60th day following the month posted on the license, at which time it is automatically canceled.

(e) On or before the 10th day preceding the cancellation of a license, the department shall mail a notice of cancellation to each licensee who has not either filed an application to renew ~~his or her~~ their license or notified the department of ~~his or her~~ their intent not to do so. Failure to mail the renewal application in accordance with subdivision (a) or to mail the notice provided in this subdivision shall not continue the right to a license.

(f) A license that has been canceled pursuant to subdivision (d) of this section may be reinstated during the 30 days immediately following cancellation upon payment by cashier's check or money order of the annual renewal fee as set forth in ~~Section 23320, 23358.3, or 23399, subdivision (b) of Section 23320,~~ plus a penalty fee that shall be equal to 100 percent of the annual fee. A license that has been canceled pursuant to subdivision (d) of this section and that has not been reinstated within 30 days pursuant to this subdivision is automatically revoked on the 31st day after the license has been canceled.

(g) No renewal application shall be deemed filed within the meaning of this section unless the document itself has been actually delivered to, and the required renewal fee has been paid at, any office of the department during office hours, or unless both the document and fee have been filed and remitted pursuant to Section 11003 of the Government Code.

SEC. 55. Section 24070 of the Business and Professions Code is amended to read:



24070. Each license is separate and distinct and is transferable upon approval by the department from the licensee to another person and from one premises to another premises.

(a) All off-sale general licenses may be transferred from one county to another county, subject to the following provisions:

(1) The number of off-sale general licenses in existence in any county on June 1 of any year shall not be increased by more than 25 new original off-sale general licenses during the following 12-month period, provided further that the number of new original off-sale general licenses that may be issued in any county during any 12-month period shall not increase by more than 10 percent the number of off-sale general licenses in existence in that county on the June 1 with which that 12-month period began.

(2) After the department computes the number of new original off-sale licenses that may be issued in any county during any 12-month period as provided by the foregoing paragraph, if the department determines that the ratio established by Section 23817 will permit, during that 12-month period, additional off-sale general licenses in any county, off-sale general licenses may be transferred into that county in a number not to exceed by more than 10 percent the number of off-sale general licenses in existence in that county on the June 1 with which that 12-month period began, but in no event to exceed 25 such transfers during that 12-month period.

(3) Under no circumstances shall the combined total number of new original off-sale general licenses that may be issued in any county during any 12-month period and the number of off-sale general licenses that may be transferred into such county during that 12-month period, exceed the limitation set forth in Section 23817.

(b) All on-sale general licenses may be transferred from one county to another county, subject to the following provisions:

(1) The number of on-sale general licenses in existence in any county on June 1 of any year shall not be increased by more than 10 percent by the issuance of new original on-sale general licenses, but in no event to exceed 25 such licenses, during any 12-month period. The number of on-sale general licenses shall be limited by the provisions of Section 23816.

(2) After the department computes the number of new original on-sale licenses that may be issued in any county during any 12-month period as provided by the foregoing paragraph, if the department determines that the ratio established by Section 23816 will permit, during that 12-month period, additional on-sale general licenses in any county, on-sale general licenses may be transferred into that county in a number not to exceed by more than 10 percent the number of on-sale general licenses in existence in that county on June 1 with which that 12-month period began, but in no event to exceed 25 such transfers during that 12-month period.

(3) Under no circumstances shall the combined total number of new original on-sale general licenses that may be issued in any county during any 12-month period and the number of on-sale general licenses that may be transferred into that county during that 12-month period, exceed the limitation set forth in Section 23816.

(4) ~~The transfer fee for transfer of an on-sale general license from one county to another county shall be the same as the fee prescribed in subdivision (d) of Section 24072 for transfer of an off-sale general license from one county to another county.~~



(c) No retail license subject to the provisions of Section 23816 or 23817 issued as a new original license on or after June 1, 1961, and no off-sale general license or on-sale general license transferred from one county to another county on or after August 17, 1967, shall be transferable from the licensee to another person, or if the licensee is a corporation a controlling interest in the stock ownership of the licensee shall not be, directly or indirectly, sold, transferred, or hypothecated unless the licensee be a corporation the stock of which is listed on a stock exchange in this state or in the City of New York, State of New York, or which is required by law to file periodic reports with the United States Securities and Exchange Commission, for a period of two years from date of issuance of the license, except as provided in Section 24071, and except when the department determines that the transfer is necessary to prevent undue hardship.

(d) (1) An on-sale general license or off-sale general license that has been transferred from one county to another county shall not be transferred for a purchase price or consideration in excess of the original fee paid for that license pursuant to ~~subdivision (b) of Section 23954.5~~ paragraph (2) of subdivision (a) of Section 23320 for a period of five years following the previous transfer of that license.

(2) An on-sale general license or off-sale general license that has been transferred from one county to another county may be transferred with no restrictions as to the purchase price or consideration to the transferor or from the transferee after a period of five years from the date of the previous intercounty transfer of the license.

SEC. 56. Section 24071 of the Business and Professions Code is amended to read:

24071. (a) The license of one spouse may be transferred to the other spouse when the application for transfer is made prior to the entry of a final decree of divorce, and the license of a decedent, minor ward, incompetent person, conservatee, debtor in a bankruptcy case, person for whose estate a receiver is appointed, or assignor for the benefit of creditors may be transferred by or to the surviving partners of a deceased licensee, the executor, administrator, conservator or guardian of an estate of a licensee, the surviving spouse of a deceased licensee in the event that the deceased licensee leaves no estate to be administered, the trustee of a bankrupt estate of a licensee, a receiver of the estate of a licensee, or an assignee for the benefit of creditors of a licensee with the consent of the assignor, or a license may be transferred by or to a receiver appointed for a judgment debtor as provided by Section 708.630 of the Code of Civil Procedure, or a license may be transferred to a revocable living trust when the licensee is also the trustee, ~~or a~~ and the fee for the transfer of each license shall be one hundred dollars (\$100). A license may be transferred between partners where no new partner is being licensed, or a license may be transferred between corporations whose outstanding shares of stock are owned by the same natural persons, or a licensee may transfer upon compliance with Section 24073 any license to a corporation whose entire stock is owned by the licensee, ~~or his or her~~ their spouse, or a licensee may transfer upon compliance with Section 24073 any license to a limited liability company whose entire membership consists of the licensee, ~~or his or her~~ their spouse, or a license may be transferred from a corporation to a person who owns, or whose spouse owns, the entire stock of the corporation, and the fee for transfer of each license is ~~fifty dollars (\$50)~~ one hundred fifteen dollars (\$115). The regular transfer fee provided in Section 24072 shall be due and payable upon the subsequent transfer of 25 percent of the stock in a corporation to which a license has been transferred by a licensee ~~or his or her~~ their



spouse pursuant to this section, except if the transfer of stock is from a parent to ~~his or her~~ their child or grandchild, in which case the fee shall be one-half of the regular transfer fee. In no case shall a fee be charged for the transfer of an importer's license. All money collected from the fees provided for in this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.

(b) The fees may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.

~~Nothing~~

(c) Nothing in this section shall be deemed to authorize the formation of a limited liability company composed of only one member in violation of subdivision (b) of Section 17050 of the Corporations Code.

SEC. 57. Section 24071.1 of the Business and Professions Code is amended to read:

24071.1. (a) (1) When the ownership of 50 percent or more of the shares of stock of a corporation, which is required to report the issuance or transfer of those shares of stock under Section 23405, is acquired by or transferred to a person or persons who did not hold the ownership of 50 percent of those shares of stock on the date the license was issued to the corporation, the license of the corporation shall be transferred to the corporation as newly constituted. When there is a new general partner or when the ownership of 50 percent or more of the capital or profits of a limited partnership, which is required to maintain a register under Section 23405.1, is acquired by or transferred to a person or persons as general or limited partners and who did not hold ownership of 50 percent or more of the capital or profits of the limited partnership on the date the license was issued to the limited partnership, the license of the limited partnership shall be transferred to the limited partnership as newly constituted. The application fee for the transfer shall be equal to 50 percent of the original fee for the license, except that the minimum fee shall be one hundred dollars (\$100) and the maximum fee shall be eight hundred dollars (\$800), of an on-sale general license or an off-sale general license shall be eight hundred dollars (\$800). For all other licenses, the fee shall be three hundred thirty-five dollars (\$335). In situations involving the multiple and simultaneous transfer of licenses under this section, the regular transfer fee shall only be required for one of the licenses being transferred and the remainder of the licenses shall be transferred for a fee of one hundred dollars (\$100) each. All of the transfer fees collected pursuant to this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761. Before the license is transferred, the department shall conduct an investigation pursuant to the provisions of Section 23958. Any person or persons who own 50 percent or more of the shares of stock of the corporation or who own as limited partners 50 percent or more of the capital or profits of the limited partnership, as the case may be, shall have all the qualifications required of a person holding the same type of license.

(2) The fees may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.

(b) No A retail license shall not be transferred by a corporation or a limited partnership under this section unless, before the filing of the transfer application with the department, the corporation or limited partnership initiating the transfer records in the office of the county recorder of the county or counties in which the premises to



which the license has been issued are situated a notice of the intended transfer, stating all of the following:

- (1) The name and address of the corporation or limited partnership.
- (2) The name and address of the person or persons acquiring ownership of 50 percent or more of the stock of the corporation or capital or profits of the limited partnership.
- (3) The amount of the consideration paid for the stock or limited partnership interests.
- (4) The kind of license or licenses intended to be transferred.
- (5) The address or addresses of the premises to which the license or licenses have been issued.

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(c) A copy of the notice of the intended transfer, certified by the county recorder, shall be filed with the department together with the transfer application.

(e)

(d) Notwithstanding any other provision of this ~~division to the contrary~~, division, a corporation or limited partnership as newly constituted by transfer under this section, is not eligible for any new credit from any person named in Section 25509 until all delinquent payments owed by the entity as formerly constituted, are made, nor shall any entity retail licensee, by transferring its license under this section, avoid the provisions of Section 25509 with regard to 42-day or 30-day periods, percentage charges for unpaid balances, or cash-on-delivery basis.

SEC. 58. Section 24071.2 of the Business and Professions Code is amended to read:

24071.2. (a) (1) When the ownership of 50 percent or more of the membership interests in a limited liability company required to report the issuance or transfer of memberships under Section 23405.2 is acquired by or transferred to a person or persons who did not hold the ownership of 50 percent of the membership interests on the date the license was issued to the limited liability company, the license of the limited liability company shall be transferred to the limited liability company as newly constituted. The application fee for the transfer shall be equal to 50 percent of the original fee for the license, except that the minimum fee shall be one hundred dollars (\$100) and the maximum fee shall be eight hundred dollars (\$800). of an on-sale general license or an off-sale general license shall be eight hundred dollars (\$800). For all other licenses, the fee shall be three hundred thirty-five dollars (\$335). In situations involving the multiple and simultaneous transfer of licenses under this section, the regular transfer fee shall be required for only one of the licenses being transferred and the remainder of the licenses shall be transferred for a fee of one hundred dollars (\$100) each. All of the transfer fees collected pursuant to this section shall be deposited in the Alcohol Beverage Control Fund, as provided in Section 25761. Before the license is transferred, the department shall conduct an investigation pursuant to Section 23958. Any person or persons who own 50 percent or more of the membership interests of the limited liability company shall have all the qualifications required of a person holding the same type of license.

(2) The fees may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.



(b) ~~No~~ A retail license shall not be transferred by a limited liability company under this section unless, before the filing of the transfer application with the department, the company initiating the transfer records, in the office of the county recorder of the county or counties in which the premises to which the license has been issued are situated, a notice of the intended transfer, stating all of the following:

- (1) The name and address of the limited liability company.
- (2) The name and address of the person or persons acquiring ownership of 50 percent or more of the membership interests of the limited liability company.
- (3) The amount of the consideration paid for the membership interests.
- (4) The kind of license or licenses intended to be transferred.
- (5) The address or addresses of the premises to which the license or licenses have been issued.

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(c) A copy of the notice of the intended transfer, certified by the county recorder, shall be filed with the department together with the transfer application.

~~(c)~~

(d) Notwithstanding any other provision of this ~~division to the contrary, division~~, a limited liability company as newly constituted by transfer under this section shall not be eligible for any new credit from any person named in Section 25509 until all delinquent payments owed by the limited liability company as formerly constituted are made, nor shall any retail licensee, by transferring its license under this section, avoid the provisions of Section 25509 with regard to 42-day or 30-day periods, percentage charges for unpaid balances, or cash-on-delivery basis.

~~(d)~~

(e) Nothing in this section shall be deemed to authorize the formation of a limited liability company composed of only one member in violation of subdivision (b) of Section 17050 of the Corporations Code.

SEC. 59. Section 24072 of the Business and Professions Code is repealed.

24072. The following transfer fees shall be charged by the department:

(a) The fee for transfer of a license other than a retail license from a licensee to another person is a fee equal to 70 percent of the annual fee for the license, except as provided in Section 24071. Section 23322 shall not apply to this transfer fee.

(b) The fee for transfer of a retail license from a licensee to another person is a fee equal to 50 percent of the original fee for the license, but not to exceed one thousand two hundred fifty dollars (\$1,250), or if no original fee is provided for by law, one hundred dollars (\$100).

(c) Except as provided in Section 24082, the fee for transfer of a license from one premises to another premises is one hundred dollars (\$100).

(d) Notwithstanding the other fee provisions of this section, the fee for a transfer of an off-sale general license from one county to another county shall be six thousand dollars (\$6,000).

(e) The fee for transfer of an on-sale or off-sale retail license to include the mother, father, son, or daughter of a licensee, when no consideration is given for such transfer, shall be one-half of the regular fee for transfer of a license from a licensee to another person, as provided by this section.

All money collected from the fees provided for in this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.



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SEC. 60. Section 24072 is added to the Business and Professions Code, to read:
24072. (a) Except as provided in Section 24071, the following transfer fees shall be charged by the department:

(1) The application fee for a transfer of an on-sale general license or an off-sale general license from a licensee to another person or from a licensee to another person and premises is one thousand two hundred fifty dollars (\$1,250).

(2) The application fee for a transfer of all other licenses from a licensee to another person is three hundred thirty-five dollars (\$335). The application fee for a transfer from a licensee to another person and premises is equal to the application fee specified in paragraph (1) of subdivision (a) of Section 23320.

(3) Except as provided in Section 24082, the application fee for a transfer of a license, and any additional license held at specific premises, from one premises to another premises is seven hundred eighty dollars (\$780).

(4) Notwithstanding the other fee provisions of this section, the application fee for a transfer of an on-sale or an off-sale general license from one county to another county shall be six thousand dollars (\$6,000).

(5) The application fee for a transfer of an on-sale or off-sale retail license to include the parent or child of a licensee, when no consideration is given for the transfer, shall be one-half the regular fee for a transfer of a license from a licensee to another person, as provided by this section.

(b) If the application for a transfer made pursuant to subdivision (a) includes multiple licenses issued at the same premises, the application fee shall be required for only one of the licenses being transferred and the remainder of the licenses shall be transferred at no cost. In situations involving different license types, the application fee to be paid shall be the highest fee as specified in subdivision (a). Notwithstanding this provision, the annual fee shall be payable for each license transferred pursuant to subdivision (c).

(c) In addition to the application fee, an applicant shall pay an annual fee for each of the licenses included in a transfer application made pursuant to this section.

(d) The department may charge a fee for the reactivation of any license following its surrender or abandonment for cases pursuant to regulations of the department.

(e) (1) A licensee may make material or substantial physical changes to the premises or to the character of the premises only upon application to and approval by the department in accordance with rules of the department.

(2) The fee for the application shall be three hundred forty-five dollars (\$345), except when the application involves an expansion of the premises, in which case the fee shall be three hundred eighty dollars (\$380).

(3) If the department approves the application, with or without conditions, notwithstanding that a written objection to the change to the premises has been submitted to the department in the course of its investigation, the department shall treat that written objection in the same manner as a verified protest pursuant to Section 24015, and the person objecting to the change to the premises shall have the same right to request a hearing as specified for verified protests in that section.

(4) In its discretion, the department may require that the licensee proceed by way of a transfer of the license from one premises to another premises. In such circumstances, if the licensee has paid the application fee pursuant to this subdivision, the payment shall be credited to the fee required to be paid pursuant to subdivision (a).



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(f) The fee for the submission of the report required by Section 23405, 23405.1, 23405.2, or 23405.3 is three hundred dollars (\$300). If the department determines that a transfer of the license pursuant to Section 24071.1 or 24071.2 is necessary based upon the submitted report, the fee paid pursuant to this subdivision shall be credited toward the license transfer fee.

(g) Any applicant whose application under this section is denied or withdrawn is entitled to a refund, if any, in the same manner as may be applicable to a license application denial or withdrawal as specified in Section 23320.

(h) The fees may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320. All money collected from the fees provided for this section shall be deposited in the Alcohol Beverage Control Fund as provided in Section 25761.

SEC. 61. Section 24072.2 of the Business and Professions Code is amended to read:

24072.2. Any person who has an on-sale license issued for a bona fide public eating place may exchange ~~his or her~~ their license for a similar license for public premises, as defined in Section 23039, and any person who has such a license issued for public premises may exchange ~~his or her~~ their license for a similar license for a bona fide public eating place. The exchange may be made at the time of renewal of the license sought to be exchanged, and not more than once between renewal periods, upon the approval of the department, the payment of an exchange fee of one hundred dollars (\$100), and compliance with the provisions of this division relating to the issuance of an original license. The fee may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320. All money collected from the fee provided for in this section shall be deposited directly in the Alcohol Beverage Control Fund as provided in Section 25761.

SEC. 62. Section 25512 of the Business and Professions Code is amended to read:

25512. (a) Notwithstanding any other provision of this division, any licensee or officer, director, employee, or agent of a licensee that holds no more than eight on-sale licenses may also hold not more than 16.67 percent of the stock of a corporation that holds a Type 01 or Type 23 beer manufacturer license issued pursuant to paragraph (1) of subdivision (a) license as specified in subdivision (b) of Section 23320 that are located in Sacramento, Placer, Contra Costa, San Joaquin, or Napa County, and may serve on the board of directors and as an officer or employee of that corporate licensed beer manufacturer.

(b) An on-sale licensee specified in subdivision (a) shall purchase no alcoholic beverages for sale in this state other than from a licensed wholesaler or winegrower.

(c) In enacting this section, the Legislature finds that it is necessary and proper to require a separation between manufacturing interests, wholesale interests, and retail interests in the production and distribution of alcoholic beverages in order to prevent suppliers from dominating local markets through vertical integration and to prevent excessive sales of alcoholic beverages produced by overly aggressive marketing techniques. The Legislature further finds that the exception established by this section to the general prohibition against tied-house interests must be limited to its expressed terms so as not to undermine the general prohibition, and intends that this section be construed accordingly.



SEC. 63. Section 25600.5 of the Business and Professions Code is amended to read:

25600.5. Notwithstanding any other provision of this division, a manufacturer of distilled spirits, distilled spirits manufacturer's agent, out-of-state distilled spirits shipper's certificate holder, winegrower, rectifier, or distiller, or its authorized unlicensed agent, may provide, free of charge, entertainment, food, and distilled spirits, wine, or nonalcoholic beverages to consumers at an invitation-only event in connection with the sale or distribution of wine or distilled spirits, subject to the following conditions:

(a) No licensee, other than those specified in this section, may conduct or participate in any portion of an event authorized by this section. A licensee authorized to conduct an event pursuant to this section shall not be precluded from doing so on the basis of holding any other type of alcoholic beverage license.

(b) An event authorized by this section shall be conducted on either the:

(1) Premises for which a caterer's authorization has been issued, except that any event held on the premises of a licensed winegrower shall not be authorized to provide any distilled spirits other than brandy.

(2) Premises of a hotel holding an on-sale beer and wine or on-sale general license, except an event shall not be conducted in the lobby area of a hotel or in any portion of a hotel that is identified, promoted, or otherwise designated by the hotel as a club, nightclub, or other similar entertainment venue. For purposes of this paragraph, "hotel" means any hotel, motel, resort, bed and breakfast inn, or other similar transient lodging establishment, but it does not include any residential hotel as defined in Section 50519 of the Health and Safety Code.

(c) A hotel where the event authorized by this section is being conducted shall maintain, during all times while exercising its license privileges, other areas within the licensed premises that shall be made readily available to the public not attending the authorized event.

(d) Except as provided in paragraph (2) of subdivision (b), an event authorized by this section shall not be conducted on premises for which a permanent retail license has been issued.

(e) Except for fair market value payments authorized pursuant to this section, a retail licensee, including the licensed caterer or the licensed hotel, shall not receive, nor shall the licensee conducting the event give, any other item of value or benefit in connection with events authorized by this section.

(f) The person authorized by this section to provide, free of charge, entertainment, food, and beverages shall be present during the event.

(g) The person authorized by this section to provide, free of charge, entertainment, food, and beverages shall have sole responsibility for providing payment for the entertainment, food, beverages, and rental fees at the event. Payments for entertainment, food, beverages, and rental fees shall not exceed fair market value. No other licensed person shall be authorized, under this section, to provide any portion of these payments.

(h) Requests for attendance at the event shall be by invitation sent to consumers over 21 years of age at a specific address via mail or email, by telephone, or presented in person. Invitations or other advertisements of the event shall not be disseminated by any other means. Invitations shall not be sent by the authorized person or their



authorized unlicensed agent inviting all of the employees of a retail licensee or a chain of retail licensees under common ownership to an authorized event.

(i) Attendance at the event shall be limited to consumers who receive and accept an invitation to the event. Invited consumers may each invite one guest. All attendees shall be over 21 years of age. The total number of consumers and their guests allowed at any event authorized by this section shall not exceed 600 people. Admittance to the event shall be controlled by a list containing the names of consumers who accepted the invitation and their guests. The persons identified in this section shall be responsible for compliance.

(j) No premium, gift, free goods, or other thing of value may be given away in connection with the event, except as authorized by this division.

(k) The duration of any event authorized by this section shall not exceed four hours.

(l) (1) Subject to paragraph (3), a person authorized to conduct events pursuant to this section shall not conduct more than 12 events in a calendar year where the consumers and guests in attendance exceed 100 people, and not more than 24 events in a calendar year where the consumers and guests in attendance is 100 people or fewer.

(2) The limitation on events authorized by this section shall be by person, whether that person holds a single license or multiple licenses. If a person holds multiple licenses, the limitation shall be applied to the person holding the license, not by type of license.

(3) A licensee authorized to conduct events pursuant to this section shall not conduct more than two events in a calendar year on the premises of any single licensed hotel or other licensed hotel under the same or common ownership.

(4) The licensee conducting the event shall not advertise any retail licensee. If the event is held on the premises of a retail licensee as permitted by this section, the licensee conducting the event may list the retailer's name and address in the invitation and any related advertising for the sole purpose of identifying the location of the event. The listing of the retailer's name and address shall be the only reference to the retail licensee and shall be relatively inconspicuous in relation to the invitation or advertisement as a whole. Pictures or illustrations of the retailer's premises, or laudatory references to the retailer, shall not be permitted.

(5) (A) Other than as specifically authorized by this section, alcoholic beverage promotions of any sort shall not be conducted by any licensee in conjunction with an event held on the premises of a retail licensee pursuant to this section. This restriction includes any discounted drink specials offered by the retail licensee to consumers.

(B) For purposes of this paragraph, "in conjunction with" means during an event and any period within 24 hours before and 24 hours following an event.

(6) A retail licensee shall conspicuously offer for sale alcoholic beverages other than the products produced, distributed, bottled, or otherwise offered for sale by the licensee conducting the event.

(m) At least 30 days prior to an event, the licensee, or its authorized unlicensed agent, authorized to conduct the event shall apply to the department for a permit authorizing the event. In addition to any other information required by the department, the licensee shall provide the department all of the following information:

- (1) The name of the company authorized to conduct the event.
- (2) The number of people planned to be in attendance.
- (3) The start and end times for the event.



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- (4) The location of the event.
- (5) The name of the caterer, if required, obtaining the caterer's authorization for the event.
- (n) All alcoholic beverages provided pursuant to this section shall be purchased from the holder of the caterer's permit or the licensed hotel, as applicable.
- (o) All alcoholic beverages served at an event authorized by this section shall be served in accordance with Sections 25631 and 25632.
- (p) No person authorized to conduct an event pursuant to this section shall hold such an event at the same location more than eight times in a calendar year.
- (q) The person authorized to conduct an event under this section may provide attendees at the event with a free ride home. The free rides shall only constitute free ground transportation to attendees' homes or to hotels or motels where attendees are staying.
- (r) In addition to the prescribed fee imposed upon a licensed caterer to conduct an event authorized by this section, a fee of two hundred dollars (\$200) shall be collected by the department from the licensee, or its authorized unlicensed agent, authorized by this section to provide, free of charge, entertainment, and beverages at an authorized event. This fee may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320.
- (s) All licensees involved in events held pursuant to this section shall be responsible for compliance with this section, and with all other provisions of this division in connection with these events, and each may be subject to discipline for violation of this division.
- (t) The Legislature finds and declares both of the following:
- (1) That it is necessary and proper to require a separation between manufacturing interests, wholesale interests, and retail interests in the production and distribution of alcoholic beverages in order to prevent suppliers from dominating local markets through vertical integration and to prevent excessive sales of alcoholic beverages produced by overly aggressive marketing techniques.
- (2) Any exception established by the Legislature to the general prohibition against tied interests must be limited to the express terms of the exception so as to not undermine the general prohibitions.
- (u) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.
- SEC. 64. Section 25659.5 of the Business and Professions Code is amended to read:
- 25659.5. (a) Retail licensees selling keg beer for consumption off licensed premises shall place an identification tag on all kegs of beer at the time of sale and shall require the signing of a receipt for the keg of beer by the purchaser in order to allow kegs to be traced if the contents are used in violation of this article. The keg identification shall be in the form of a numbered label prescribed and supplied by the department that identifies the seller. The receipt shall be on a form prescribed and supplied by the department and shall include the name and address of the purchaser and the purchaser's driver's license number or equivalent form of identification number. A retailer shall not return any deposit upon the return of any keg that does not have the identification label required pursuant to subdivision (a).



(b) Any licensee selling keg beer for off premise consumption who fails to require the signing of a receipt at the time of sale and fails to place a numbered identification label on the keg shall be subject to disciplinary action pursuant to this division. The licensee shall retain a copy of the receipt, which shall be retained on the licensed premise for a period of six months. The receipt records shall be available for inspection and copying by the department or other authorized law enforcement agency.

(c) Possession of a keg containing beer with knowledge that the keg is not identified as required by subdivision (a) is a misdemeanor.

(d) Any purchaser of keg beer who knowingly provides false information as required by subdivision (a) is guilty of a misdemeanor.

(e) The identification label required pursuant to subdivision (a) shall be constructed of material and made attachable in such a manner as to make the label easily removable for the purpose of cleaning and reusing the keg by a beer manufacturer.

(f) ~~The department is authorized to charge a fee not to exceed the actual cost of supplying receipt forms and identification labels required pursuant to subdivision (a).~~ fees for supplying receipt forms and identification labels pursuant to subdivision (a). The fees for receipt forms and identification labels shall be ten dollars (\$10) and twenty-five dollars (\$25), respectively, and may be adjusted by the department pursuant to subdivisions (d) and (e) of Section 23320. Fees collected pursuant to this subdivision shall be deposited in the Alcohol Beverage Control Fund.

(g) As used in this section, "keg" means any brewery-sealed, individual container of beer having a liquid capacity of six gallons or more.

SEC. 65. Section 25761 of the Business and Professions Code is amended to read:

25761. All money collected as fees pursuant to this division, as payments under Section 23096, and under the excise tax provisions of this division or Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code shall be deposited in the State Treasury to the credit of the Alcohol Beverage Control Fund, which fund is continued in existence.

The money in the Alcohol Beverage Control Fund shall be expended as follows:

(a) The amount necessary for the allowance of the refunds provided for in this division or Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code is hereby appropriated, without regard to fiscal years, to the Controller for payment of these refunds.

(b) All money derived as payment under Section 23096 and from excise taxes under Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code remaining after compliance with subdivision (a) shall be transferred to the General Fund on the order of the Controller.

(c) All original license fees paid on or after July 1, 1998, ~~pursuant to Section 23954.5~~ shall remain in the Alcohol Beverage Control Fund.

(d) All other money collected as fees and deposited in the Alcohol Beverage Control Fund shall be allocated, upon appropriation by the Legislature, to the Department of Alcoholic Beverage Control for the enforcement and administration of the Alcoholic Beverage Control Act.

(e) Money transferred to the General Fund pursuant to subdivision (b) shall be in lieu of any assessment that would be made on the Department of Alcoholic Beverage Control pursuant to Section 11270 and following of the Government Code.



(f) Upon appropriation by the Legislature, the amount necessary for the support of the Department of Alcoholic Beverage Control's grant assistance program. This amount shall be sufficient to cover the salaries and benefits of the alcohol beverage control peace officer positions dedicated to this program. However, based on the available revenue in the Alcohol Beverage Control Fund, the amount shall not be less than one million five hundred thousand dollars (\$1,500,000) and not more than three million dollars (\$3,000,000).

SEC. 66. The Legislature finds and declares that the regulation of the manufacture, importation, supply, and sale of alcoholic beverages continues to be among the highest priorities of the State of California. The Department of Alcoholic Beverage Control is charged with the regulatory oversight of all alcoholic beverage licensees throughout the State of California, including all aspects of the licensing and enforcement process yearly. As a special fund department, the department has been required to perform its functions within a budget derived solely from the fees paid by licensees. The department has experienced virtually no growth in personnel since its inception in 1955, while the number of licensees has more than doubled and is increasing yearly, thereby necessitating budget action for the department to establish or improve services, as long-demanded by its stakeholders, such as the modernization of its operation by establishing online services, reducing the time it takes to complete licensing investigations and prosecute violations, and increasing the capacity to perform enforcement activities to address unfair business practices in the industry. Budget action is also necessary to protect our communities from harm that may originate from noncompliant licensed premises, such as sales to minors, service to obviously intoxicated persons, violence, prostitution, and the sale of narcotics. To ensure appropriate funding levels given this continued growth in licensees and to avoid a potential budget crisis, fee increases are necessary to protect the fiscal integrity of the department and allow the department to continue to meet its continuing obligations to protect the health, safety, welfare, peace, and morals of the people of the state. The intent of the Legislature in enacting this measure is to return the department to an acceptable level of funding by adjusting license fees to a level consistent with the increased costs associated with the regulation of the licensees, and ensuring a continued level of reasonable, responsible, and predictable funding into the future through annual adjustments.



LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, _____.

General Subject: Alcoholic beverage licenses: surcharge: fees.

(1) The Alcoholic Beverage Control Act requires the Department of Alcoholic Beverage Control to collect a surcharge of 3% of the annual license fees for the Alcoholic Beverage Control Appeals Board's administrative costs and rounds up the surcharge to the nearest whole dollar.

This bill would round the surcharge up to the nearest \$5.

(2) The Alcoholic Beverage Control Act provides for the issuance of licenses for which various fees, including annual fees, are charged depending upon the type of license issued. That law authorizes an adjustment of the renewal fees, as provided.

This bill would revise various fees, including application fees and annual fees. The bill would authorize an annual adjustment of specified fees, as provided, commencing with the 2021 calendar year. The bill would also make technical and conforming changes.

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



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Amend Business and Professions Code Section 25685 as follows:

~~25685. (a) The department may charge a fee, not to exceed fifteen dollars (\$15) per person, for any RBS training course provided by the department. Any moneys collected under this article shall be deposited in the Alcohol Beverage Control Fund.~~

(b) The department may adopt rules that it determines necessary for the administration of the provisions of this article.

(b) The department may charge fees as necessary to cover its reasonable costs for administering the program authorized by this article.

(c) If the department offers a RBS training course, the fee charged by the department for that course shall not exceed fifteen dollars (\$15) per person.

(d) Any moneys collected under this article shall be deposited in the Alcohol Beverage Control Fund.



**DEPARTMENT OF
FINANCE**
OFFICE OF THE DIRECTOR

GAVIN NEWSOM - GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

March 28, 2019

Honorable Holly Mitchell, Chair
Senate Budget and Fiscal Review Committee

Attention: Mr. Joe Stephenshaw, Staff Director (2)

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Mr. Christian Griffith, Chief Consultant (2)

Addition of Budget Bill Item 2240-011-0001, Support, Department of Housing and Community Development

No Place Like Home Program Implementation—It is requested that Item 2240-011-0001 be added in the amount of \$7 million to provide a General Fund loan for the Department of Housing and Community Development for the No Place Like Home Program (see Attachment 1). The Program dedicates up to \$2 billion in bond proceeds to invest in the development of permanent supportive housing for persons who are in need of mental health services and are experiencing or at risk of chronic homelessness. The Program allows four Alternative Process Counties to directly administer their own Program funds. The Department issued a Notice of Funding Availability; however, bond proceeds will not be available until October 2019. The loan will be used to provide grant funds to the Alternative Process Counties pending sale of bonds. The General Fund loan will be repaid upon issuance of the bonds.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

KEELY MARTIN BOSLER
Director
By:

/s/ Vivek Viswanathan

VIVEK VISWANATHAN
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mr. Mark McKenzie, Staff Director
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Mr. Kirk Feely, Budget Fiscal Director
Honorable Lorena Gonzalez, Chair, Assembly Appropriations Committee
Attention: Mr. Jay Dickenson, Chief Consultant
Honorable Jay Obernolte, Vice Chair, Assembly Budget Committee
Attention: Ms. Cyndi Hillery, Staff Director
Honorable Maria Elena Durazo, Chair, Senate Budget and Fiscal Review Subcommittee No. 4
Honorable Jim Cooper, Chair, Assembly Budget Subcommittee No. 4
Mr. Gabriel Petek, Legislative Analyst (4)
Mr. Christopher W. Woods, Senate President pro Tempore's Office (2)
Mr. Jason Sisney, Assembly Speaker's Office (2)
Ms. Jayme Chick, Deputy Chief of Staff, Policy, Assembly Republican Leader's Office
Mr. Joe Shinstock, Policy and Fiscal Director, Assembly Republican Leader's Office
Ms. Alexis Podesta, Secretary, Business, Consumer Services and Housing Agency
Ms. Anna Pozdyn, Administrative Operations Manager, Business, Consumer Services and
Housing Agency
Mr. Ben Metcalf, Director, Department of Housing and Community Development
Mr. Doug McCauley, Chief Deputy Director, Department of Housing and Community Development

2240-011-0001—For transfer by the Controller to the No Place Like Home Fund.....(7,000,000)
Provisions:

1. The Controller shall transfer \$7,000,000 as a loan to the No Place Like Home Fund for Program implementation activities by the Department of Housing and Community Development to meet cash needs resulting from a delay in deposit of bond proceeds into the fund.
2. The loan shall be repaid within 30 days after the deposit of bond proceeds into the fund pursuant to paragraph (1) of subdivision (b) of Section 5849.4 of the Welfare and Institutions Code.
3. Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
4. The Department of Finance may authorize an increase to this appropriation to meet additional cashflow needs for the Program prior to deposit of bond proceeds into the fund pursuant to paragraph (1) of subdivision (b) of Section 5849.4 of the Welfare and Institutions Code.
5. The Department of Finance shall not approve an increase to this appropriation under Provision (5) unless the approval is made in writing and filed with the Chairperson of the Joint Legislative Budget Committee and the chairpersons of the committees in each house of the Legislature that consider appropriations not later than 30 days prior to the effective date of the approval, or not sooner than whatever lesser time the chairperson of the joint committee, or his or her designee, may determine.