California Legislative Positions

Last update: October 12, 2021

2021 Legislative Session

<u>UPDATE:</u> <u>Alcohol Justice followed 38 CA bills this year. 14 made it to the Governor's</u> desk. Of those, we took positions on 12, won 4, lost 8.

2021 Assembly Bills

AB 61

Version: 8/23/21

Summary: Business pandemic relief.

This bill would would extend for up to two years pandemic-related services such as expanded alcoholic beverage sales and outdoor dining in nontraditional spaces.

Author(s): Assembly Member Gabriel (D-Encino)

AJ Position: OPPOSE – Because this bill takes away local control and forces ABC to reduce regulations, it expands availability of alcohol to locations, events, and public spaces, thus extensively threatening public health and safety. The licensing of third-party alcohol delivery services is ill-defined and applies only to restaurants.

Status: Passed out of Legislature; awaiting Governor's signature.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

AB 239

Version: 1/13/2021

Summary: Winegrowers and brandy manufacturers: exercise of privileges: locations.

This bill would allow winegrowers and brandy manufacturers to sell and deliver wine or brandy to consumers in containers supplied, furnished, or sold by the consumer away from their licensed premises.

Author(s): Introduced by Assembly Members Villapudua (D-Stockton) and Robert Rivas (D-Hollister)

(Principal coauthor: Assembly Member Choi R- Irvine)

(Coauthors: Assembly Members Aguiar-Curry, Bennett, Boerner Horvath, Cooper, Gallagher,

Cristina Garcia, Kalra, Mathis, Quirk, Luz Rivas, Stone, Waldron, Wicks, and Wood)

(Coauthors: Senators Allen, Archuleta, Jones, Melendez, Nielsen, and Wiener)

AJ Position: Oppose – Reducing license restrictions on containers will increase availability, promote over-consumption and therefore negatively impact public health.

Status: Passed out of Legislature; awaiting Governor's signature.

Position Letters: <u>Alcohol Justice</u>

Version: 1/15/2021

Summary: Protecting Our Restaurants Tax Credit.

This bill would allow a 50% credit under the Corporation Tax Law for taxable years beginning on or after January 1, 2020, but before January 1, 2022, for owners or operators of the qualified taxpayer for an alcohol license.

Author(s): Introduced by Assembly Member Davies (R- San Juan Capistrano)

AJ Position: Oppose – This is another COVID-related measure designed to benefit owners of alcohol licensees at the expense of the public. In this instance, reducing income to the state for essential public health and safety services that benefit all residents.

Status: Held; 2-year bill.

Position Letters: <u>Alcohol Justice</u>

AB 273

Version: 2/19/2021

Summary: Cannabis: advertisements: highways. This bill would prohibit those licensed to engage in commercial adult-use cannabis activity from advertising or marketing on a billboard or similar advertising device visible from an interstate highway or on a state highway within California.

Author(s): Introduced by Assembly Member Jacquie Irwin (D- Thousand Oaks)

AJ Position: SUPPORT – Outdoor billboards that are visible along a highway are likely to market cannabis to children because there is no reliable, up-to-date audience composition data that can ensure that the proportion of minors viewing any advertisement from a state highway is less than the amount provided by the Prop 64 initiative.

Status: Failed, reconsideration granted; 2-year bill.

Position Letters: Alcohol Justice

AB 376

Version: 2/1/2021

Summary: Alcoholic beverages: licenses: arts and crafts workshops.

This bill would allow service of wine or beer by an arts and crafts workshop. The bill would require that there be no extra charge or fee for the beer or wine, that the servings be restricted to specified amounts, and that the wine or beer only be provided during business hours and, in no case later than 10 p.m.

Author(s): Assembly Member O'Donnell (D-Long Beach)

AJ Position: Oppose – Expands the availability of alcohol to an untold and undefined number of locations without adding licensing requirements or responsible beverage service training, thus extensively threatening public health and safety. In addition, it deprives the state of licensing revenue that could be used for alcohol code enforcement and programs that would reduce alcohol-related harm.

Status: 2-year bill.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

Version: 2/8/2021

Summary: Alcoholic beverages: schedule of licenses and fees: transmittal.

This bill would require the ABC to transmit the adjusted fee list annually to the Chairperson of the Assembly Committee on Governmental Organization and the Chairperson of the Senate Standing Committee on Governmental Organization and would change the date for the list to be transmitted to no later than January 31 of the year before it becomes effective.

Author(s): Introduced by Assembly Member Daly (D-Anaheim)

AJ Position: WATCH **Status:** 2-year bill.

AB 631

Version: 2/12/2021

Summary: Alcoholic beverage control: licenses: nonprofit cultural film exhibition companies. As introduced this bill makes minor changes to language concerning selling alcohol in non-profit theaters to include nonprofit film exhibition companies.

Author(s): Bloom (D-Santa Monica)

AJ Position: OPPOSE – Expands the availability of alcohol to an unknown number of locations,

events, and public spaces, thus extensively threatening public health and safety.

Status: Ordered to the inactive at request of author; 2-year bill.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

AB 644

Version: 2/12/2021

Summary: California MAT Re-Entry Incentive Program. The California MAT Re-Entry Incentive Program makes a person released from prison on parole, with specified exceptions, eligible for a 30-day reduction in the period of parole for every six months of treatment, up to a maximum 90-day reduction. To receive the reduction to the period of parole, existing law requires that the parolee successfully participate in a substance abuse treatment program that employs a multifaceted approach to treatment, including medically assisted therapy (MAT), as specified, and to have been enrolled in, or successfully participated in, an institutional substance abuse program. This bill would, instead of requiring the person to have participated in an institutional substance abuse program, require the person to have been enrolled in, or successfully participated in, a post-release substance abuse program.

Author(s): Introduced by Assembly Member Waldron (R-Escondido)

AJ Position: SUPPORT – MAT includes methadone and buprenorphine, prescription drugs that block opioid cravings and make it much easier for people experiencing OUD to seek counseling and hold down jobs. Opioid abuse, alcohol abuse, and recidivism create a tangled web, and AJ believes this bill will improve the MAT program and create significantly improved outcomes for individuals in the criminal justice system.

Status: Passed out of legislature; signed and chaptered.

Position Letters: <u>Alcohol Justice</u>

Version: 2/17/21

Summary: Alcoholic beverages: licensed premises: extensions.

This bill would authorize a licensee with an on-sale general license to apply to extend the licensed premises. The bill would identify the sorts of areas that may be included in an extension of a licensed premises, which would include outdoor areas that are accessible from the licensed premises but not licensed at the time of application and parking lots. The bill would require the department to grant an application to extend the licensed premises that fulfills its requirements. The bill would make permanent temporary catering authorizations allowed by the department under provisions regarding regulatory relief in furtherance of executive orders regarding the spread of the COVID-19 virus.

Author(s): Levine (D-San Rafael)

AJ Position: OPPOSE – Temporary COVID-19 alcohol regulatory rollbacks are trampling on established regulations that protect public health and safety and should not become permanent.

Status: Gutted and amended; no longer alcohol-related.

Position Letters: <u>Alcohol Justice</u> • CAPA

AB 1038

Version: 3/25/21

Summary: California Health Equity Program.

This bill would authorize a one-time General Fund allocation of \$180 million over three years to create a California Health Equity Fund to address the devastating health and social inequities exacerbated by COVID-19.

Author(s): Introduced by Assemblymember Gipson (D-Carson)

AJ Position: SUPPORT – Dedicated funding for nonprofit organizations, clinics, tribal organizations, and local health departments to address the devastating impacts of COVID-19 is essential to dismantle the legacy of structural racism that has compounded deep health inequities in California.

Status: Held in committee; 2-year bill. **Position Letters:** Alcohol Justice

AB 1070

Version: 2/18/21

Summary: Alcoholic beverage gift restrictions: exceptions: advertising umbrellas.

This bill would authorize specified licensees, without direct or indirect charge, to give up to 12 retail advertising umbrellas to an on-sale retail licensee, per licensed location, each calendar year for use at the location.

Author(s): Irwin (D-Thousand Oaks)

AJ Position: OPPOSE – This bill undermines the state's Tied-house laws and would further stress the capacity of the ABC to properly enforce the bill. In addition, allowing producers to give items of value to on-sale retail licensees will unduly influence such retailers to purchase those manufacturers' products and unduly influence customers to order and consume those products, possibly over-consuming and leading to public health & safety harms.

Status: Passed out of legislature; awaiting Governor's signature.

Position Letters: <u>Alcohol Justice</u>

AB 1181

Version: 2/18/21

Summary: Fees: business licenses: alcoholic beverages: health permits.

This bill would prohibit cities and counties, including charter cities and counties, from imposing or collecting license fees from restaurants from January 1, 2020, to December 31, 2021.

This bill would waive specified permanent license application fees, annual renewal fees, and associated surcharges for applications submitted on or after January 1, 2020, but before January 1, 2022, and would require the department to refund those fees if already paid.

The bill would include findings that changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities and counties, including charter cities and counties.

Author(s): Nguyen (R-Huntington Beach), Coauthors: Cunningham, Gallagher, Lackey, Mathis, and Patterson. Coauthors: Senators Jones and Ochoa Bogh.

AJ Position: OPPOSE – This bill places business owner profits over public health and safety by robbing state and local agencies and departments of funds used to inspect and enforce critical programs that benefit everyone.

Status: Stalled in GO Committee. May come back amended in 2022.

Position Letters: <u>Alcohol Justice</u>

AB 1242

Version: 2/19/21

Summary: Alcoholic beverages: bona fide public eating place: off-sale privileges.

Identical to SB 389 (Dodd), this bill would authorize a bona fide public eating place holding an on-sale general license or a bona fide public eating place holding an on-sale license for beer and wine to exercise additional off-sale rights and privileges, authorizing the licensee to sell alcoholic beverages for off-sale consumption.

Author(s): Bauer-Kahan (D-San Ramon)

AJ Position: OPPOSE -- Cocktails-to-go are a bad idea that benefit the licensee's bottom line while threatening public health and safety. Temporary COVID-19 regulatory rollbacks should not become a dangerous new norm.

Status: Ordered to inactive file at the request of Sen. Dodd; 2-year bill.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

AB 1267

Version: 3/18/2021

Summary: Alcoholic beverages: advertising or promoting donation of proceeds to a nonprofit charitable organization.

This bill would end a long-standing prohibition and authorize a licensee to advertise or promote the donation to a nonprofit charitable organization in connection with the purchase of an alcoholic beverage.

Author(s): Cunningham (R-San Louis Obispo)

AJ Position: OPPOSE – State law has long-recognized and wisely prohibited the practices this

bill seeks to legalize. Nonprofits should never become dependent upon alcohol industry gifts or marketing dollars to balance their bottom line. The true intent of the gift and its promotion is to stimulate greater consumption which inevitably leads to increased alcohol-related harm.

Status: Passed out of legislature; awaiting Governor's signature.

Position Letters: Alcohol Justice

AB 1275

Version: 3/18/2021

Summary: Alcoholic beverage control: minors.

This bill would remove the requirement to produce an alleged minor in an ABC sting operation and would instead require the department to produce an alleged minor decoy in a hearing on an accusation charging a licensee with providing alcoholic beverages to a minor.

Author(s): Introduced by Assembly Member Jones-Sawyer (D-Los Angeles)

AJ Position: SUPPORT

Status: Passed out of legislature; awaiting Governor's signature.

Position Letters: Alcohol Justice

AB 1330

Version: 6/3/2021

Summary: The Alcoholic Beverage Control Act prohibits an off-sale licensee from delivering alcoholic beverages from an order received over the telephone or other electronic means without requiring proof of age and identity when the beverages are delivered. This bill would expand the above-described prohibition to apply to all licensees and would impose additional conditions to be met for an alcoholic beverage to be delivered pursuant to an order received by telephone or other electronic means, including limitations on hours for delivery. The Alcoholic Beverage Control Act provides that a violation of any of its provisions for which another penalty or punishment is not specifically provided is a misdemeanor.

Author(s): Introduced by Assembly Member Frazier (D-Fairfield)

AJ Position: SUPPORT – AB 1330 takes significant steps to reduce the public health and safety harms inherent in unregulated alcohol delivery.

Status: Pulled by co-author; 2-year bill.

Position Letters: Alcohol Justice

AB 1427

Version: 2/19/21

Summary: Alcoholic beverages: distilled spirits manufacturers: tastings.

The stated intent of this bill is to make nonsubstantive changes to existing law on distilled spirits tastings. This bill appears to be a "placeholder" bill that will serve as a "gut and amend" vehicle later in the session.

Author(s): Chen (R-Yorba Linda)

AJ Position: WATCH

Status: Gut and amend to a gambling bill; no longer an alcohol-related bill.

Version: 2/19/21

Summary: Children: internet safety: platform operator: prohibited acts.

This bill would enact the Kids Internet Design and Safety Act for purposes of keeping children safe and protecting their interests on the internet.

Author(s): Introduced by Assembly Member Wicks (D-Oakland)

AJ Position: SUPPORT - Alcohol Justice supports AB 1545 in general because it will protect children from further exposure to many dangerous products and processes on the Internet. In particular, we support the bill's intention to reduce exposure to digital alcohol ads and other alcohol-related content.

Status: Passed by Assembly Privacy and Consumer Protection Committee (PRIV&CP), referred to Committee on Arts, Entertainment, Sports, Tourism, & Internet Media (AEST&IM), hearing scheduled for 4/26/21, must pass by 4/30.

Status: Pulled; 2-year bill. **Position Letters:** *Alcohol Justice*

2021 Senate Bills

SB 19

Version: 12/20/2020

Summary: Wine growers: tasting rooms.

Would allow a licensed winegrower or brandy manufacturer to operate two offsite tasting rooms.

Author(s): Introduced by Senator Glazier (D-Contra Costa)

AJ Position: Oppose – Expanding the number of locations where licenses may be issued, no matter how minimal, will increase availability and therefore negatively impact public health. In addition to doubling a licensee's locations, by not requiring another license fee, the state will lose revenue required to enforce critical alcohol rules and regulations.

CAPA Position: Oppose

Status: Passed out of legislature; awaiting Governor's signature.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

SB 102

Version: 12/20/2020

Summary: COVID-19 emergency order violation: license revocation.

This bill would prohibit the Department of Consumer Affairs, a board within the Department of Consumer Affairs, and the Department of Alcoholic Beverage Control from revoking a license for failure to comply with any COVID-19 emergency orders unless the board or department can prove that lack of compliance resulted in transmission of COVID-19.

Author(s): Introduced by Senator Melendez (R-Lake Elsinore)

AJ Position: Oppose – This bill would severely undermine the state's authority, obligation and ability to close problematic alcohol licensees whose practices are endangering the public health

and safety.

CAPA Position: Oppose

Status: Failed final vote in Business, Professions & Economic Development Committee.

Customary "Reconsideration" granted, but dead for the year. Could come back amended in 2022.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

SB 220

Version: 1/13/2021

Summary: Craft distillers: direct shipping.

This bill would allow a craft distiller to sell and ship distilled spirits directly to a California resident, who is at least 21 years of age. The bill would also authorize a person currently licensed in another state as a craft distiller, or licensed in a similar manner, that obtains a distilled spirits direct shipper permit to sell and ship distilled spirits directly to a California resident.

Author(s): Introduced by Senator Skinner (D-Berkeley)

AJPosition: Oppose - Expanding availability through direct shipment to consumers when age verification and other responsible beverage service practices by 3rd party shippers are not required or effectively applied, will increase availability and harmful consumption, especially among underage youth and therefore negatively impact public health and safety.

Status: Pulled by author. GO Chair stated it will be amended and scheduled for hearing in 2022.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

SB 298

Version: 2/3/21

Summary: Brewpub-restaurant licenses: exchange for bona fide public eating place license. This bill would authorize any person that has a brewpub-restaurant license to exchange that license for a bona fide public eating place license subject to the approval of the department, and payment of a \$100 exchange fee. It would essentially relieve the brewpub-restaurant of any requirement to actually produce beer while insuring it has the right to sell all forms of alcohol.

Author(s): Dodd (D-Napa) **AJ Position:** NEUTRAL **CAPA Position:** NEUTRAL

Status: Re-referred to committee on RLS; 2-year bill.

Position Letters: Alcohol Justice

SB 314

Version: 4/13/21

Summary: Alcoholic beverages.

Summary: This bill:

• Authorizes the Department of ABC, for a period of 365 days from the date when the Covid-19 state of emergency order is lifted, to permit licensees to continue to exercise license privileges in an expanded licensed area authorized pursuant to a Covid-19 temporary catering permit.

- Provides that the Covid-19 temporary catering permits approved by the Department of ABC shall be subject to terms and conditions established by the department.
- Authorizes the Department of ABC to extend the time period that the Covid-19 temporary permit is valid beyond the 365 days if the licensee has filed a pending application with the department for the permanent expansion of the premises.
- Authorizes an alcohol manufacturer to share a common licensed area with multiple retailers, as specified and subject to all of the following conditions:
- A retailer sharing a common licensed area with a manufacturer shall not serve any alcohol beverages that are manufactured, produced, bottled, or sold by the manufacturer. This prohibition shall apply to all licensed premises owned or operated by the retailer anywhere in the state.
- All retailers sharing the common licensed area shall hold the same license type.
- All licensees holding licenses within the shared common licensed area shall be jointly responsible for compliance with all laws that may subject their license to disciplinary action.
- Increases the number of times, from 24 to 52 in a calendar year, that the Department of ABC can issue a caterer's permit for use at any one location.
- Extends from 30 to 90 days by which a licensee must apply to the Department of ABC for an event permit that allows specified licensees, to provide, free of charge, entertainment, food, and distilled spirits, wine, or nonalcoholic beverages to consumers at an invitation-only event.
- Declares that it is to take effect immediately as an urgency statute.

Author: Wiener (D-San Francisco) Coauthors: Assm. Aguiar-Curry, Carrillo, Chiu, Eduardo Garcia, Mayes, Ting and Senators Quirk and Villapudua

AJ Position: Oppose – This bill expands the footprints of bars and restaurants into any number of public spaces like sidewalks, parklets, parking spaces, shared parking lots and other public spaces for 365 days past the Governor's lifting of the state of emergency. This hinders the mobility of senior citizens, families with children, mobility impaired persons and bicycles, thus extensively threatening public health and safety. The bill greatly expands the permissions for "catering" by general on-sale licensees and beer and wine licensees to cater to conventions, sporting events, trade exhibits, picnics, and social gatherings without public review requirements. The bill causes confusion as to which licensee is responsible for maintaining order in shared spaces. It also allows the mixing of alcohol manufacturing with multiple licensed retailers. In addition, it deprives the State of licensing revenue that could be used for programs that would reduce alcohol-related harm. It also allows advertising time and space to be purchased by producers that has been prohibited in the past.

Status: Passed out of legislature; awaiting Governor's signature.

Position Letters: *Alcohol Justice* ♦ *CAPA*

SB 389

Version: 8/23/21

Summary: Alcoholic beverages: bona fide public eating place: off-sale privileges

This bill would authorize a bona fide public eating place holding an on-sale general license or a bona fide public eating place holding an on-sale license for beer and wine to exercise additional

off-sale rights and privileges, authorizing the licensee to sell alcoholic beverages for off-sale consumption. The pickup must be by the individual placing the order

Author(s): Dodd (D-Napa)

AJ Position: OPPOSE - Cocktails-to-go are a bad idea that benefit the licensee's bottom line

while threatening public health and safety.

Status: Passed out of legislature; awaiting Governor's signature.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

SB 417

Version: 2/12/21

Summary: Alcoholic beverages: import.

This bill allows an air common carrier that carries interstate or foreign passengers on airplanes to purchase all or a portion of its alcoholic beverage inventory outside of the state and not be considered an importer or be made subject to an importer's license for the purpose of sale or service within the state on the air common carrier's airplanes exclusively to passengers or employees who are not on duty.

Author(s): Dodd (D-Napa)

AJ Position: OPPOSE - Weakens protections of the three-tier system of alcohol regulation and

reduces important license revenue to the state.

Status: Re-referred to Committee on RLS; 2-year bill.

Position Letters: <u>Alcohol Justice</u>

SB 793

Version: 3/25/21

Summary: Alcoholic beverages: music venue license: entertainment zones: consumption. This bill would authorize the department to issue a music venue license that would allow the licensee to sell beer, wine, and distilled spirits at retail for consumption on the premises in a music entertainment facility. The bill would impose an original fee and an annual renewal fee for the license, which would be deposited in the Alcohol Beverage Control Fund. The bill would authorize an on-sale licensee to permit a person under 21 years of age into the music entertainment facility for a price of admission. This bill would also authorize a city, including a charter city, county, or city and county, to allow in commercial zones the consumption of alcoholic beverages, including the possession of an open container of an alcoholic beverages on public streets, sidewalks, or public rights-of-way.

Author(s): Introduced by Senator Wiener (D-San Francisco)

AJ Position: OPPOSE – SB 793 will effectively force the California Department of Alcoholic Beverage Control (ABC) to reduce important regulations. It will significantly increase the availability of alcohol to an expanding and unknown number of locations, events, and public spaces, thus extensively threatening public health and safety. In addition, it allows advertising time and space to be purchased by producers that is currently prohibited by California tied-house laws. Furthermore, the bill allows minors to be in a licensed bar or restaurant that is not simultaneously serving alcohol – a deregulation measure that is impossible to enforce. Finally, Alcohol Justice objects to this bill because it will allow "commercial zones" for the consumption of alcoholic beverages in open containers in public spaces. It is not in the best interests of public

health and safety to create such open-air bars where people of all ages may be present. It will expose impressionable young people and those battling substance use disorders to objectionable consumption of alcoholic beverages.

Status: Ordered to inactive file on request of author; 2-year bill.

Position Letters: <u>Alcohol Justice</u> • <u>CAPA</u>

We are now including in the bill list both the Alcohol Justice (AJ) position on bills as well as the position of California Alcohol Policy Alliance (CAPA) on select bills of concern to the statewide coalition.