

AMENDED IN SENATE MAY 3, 2007

**SENATE BILL**

**No. 520**

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**Introduced by Committee on Governmental Organization (Senators Florez (Chair), Battin, Denham, Maldonado, Negrete McLeod, Vincent, Wiggins, Wyland, and Yee)**

February 22, 2007

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An act to amend Section 24200.5 of, *and to amend and renumber Section 24045.12 of*, the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

SB 520, as amended, Committee on Governmental Organization. Alcoholic beverages: licensees.

The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon, alcoholic beverage licenses by the Department of Alcoholic Beverage Control. *Existing law provides for the issuance of an on-sale general alcoholic beverage license to a person who does not operate a bona fide eating place or other public premises and who meets specified conditions, including, among other things, operating a catering business under specified conditions.*

*This bill would renumber the provision relating to caterers. Existing law authorizes the department to revoke a license upon specified grounds, including where a retail licensee knowingly permits the illegal sale, or negotiations for the sale, of controlled substances or dangerous drugs, as provided.*

*This bill would update an obsolete cross-reference and make technical, nonsubstantive changes to ~~this~~ the provision regarding the illegal sale of controlled substances or dangerous drugs.*

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

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 24045.12 of the Business and Professions  
2 Code, as amended by Section 10 of Chapter 639 of the Statutes of  
3 1998, is amended and renumbered to read:

4     ~~24045.12.~~

5     24045.17. Notwithstanding any other provision of law, the  
6 department may issue a general on-sale license to a person who  
7 does not operate a bona fide eating place or other public premises  
8 who meets all of the following:

9     (a) Has operated a catering business for not less than five years.

10    (b) Has operated or owned for not less than one year a bona fide  
11 eating place that had a general on-sale license.

12    (c) Caters over 500 events annually.

13    (d) Serves alcoholic beverages at no more than 25 percent of  
14 the events catered annually and has revenues from the sale of  
15 alcoholic beverages which do not constitute more than 25 percent  
16 of his or her total annual revenues.

17    (e) Obtains an annual permit to serve alcoholic beverages at  
18 events and obtains an authorization for each event, as specified in  
19 Section 23399.

20     ~~SECTION 1.~~

21     SEC. 2. Section 24200.5 of the Business and Professions Code  
22 is amended to read:

23     24200.5. Notwithstanding the provisions of Section 24200, the  
24 department shall revoke a license upon any of the following  
25 grounds:

26     (a) If a retail licensee has knowingly permitted the illegal sale,  
27 or negotiations for the sales, of controlled substances or dangerous  
28 drugs upon his or her licensed premises. Successive sales, or  
29 negotiations for sales, over any continuous period of time shall be  
30 deemed evidence of permission. As used in this section, “controlled  
31 substances” shall have the same meaning as is given that term in  
32 Article 1 (commencing with Section 11000) of Chapter 1 of  
33 Division 10 of the Health and Safety Code, and “dangerous drugs”  
34 shall have the same meaning as is given that term in Article 2

1 (commencing with Section 4015) of Chapter 9 of Division 2 of  
2 this code.  
3 (b) If the licensee has employed or permitted any persons to  
4 solicit or encourage others, directly or indirectly, to buy them  
5 drinks in the licensed premises under any commission, percentage,  
6 salary, or other profit-sharing plan, scheme, or conspiracy.

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