

Senate Bill No. 408

CHAPTER 245

An act to add Section 25503.20 to, and to add and repeal Section 23817.7 of, the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor August 1, 1995. Filed with
Secretary of State August 1, 1995.]

LEGISLATIVE COUNSEL'S DIGEST

SB 408, M. Thompson. Alcoholic beverages: licenses.

Existing law limits the ownership of a retail alcoholic beverage licensee by a manufacturer or producer of alcoholic beverages.

This bill would authorize a manufacturer, winegrower, manufacturer's agent, winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler to hold an ownership interest in a retail licensee, to serve as an officer, director, employee, or agent of the retail licensee, and to sponsor or fund certain programs or projects, if the retail license is for a nonprofit school for professional chefs located in Napa County, and other requirements are met.

This bill would make legislative findings as to the necessity for a special statute.

Existing law prohibits applications for and the issuance of original retail off-sale beer and wine licenses in certain cities and counties where the number of licenses exceeds certain limits. This restriction remains in effect until January 1, 1998.

This bill would permit the application for and the issuance of those licenses if certain conditions are met. This provision would remain in effect until January 1, 1998, when it would be repealed.

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

SECTION 1. Section 23817.7 is added to the Business and Professions Code, to read:

23817.7. (a) Notwithstanding the moratorium provision of Section 23817.5, the department may approve an application for an off-sale beer and wine license in areas covered by the moratorium provided for in Section 23817.5, if the applicant shows that public convenience or necessity would be served by the issuance, and where all of the following conditions are found to exist:

(1) The applicant premises are located in a crime reporting district that is below that specified pursuant to paragraph (1) of subdivision (a) of Section 23958.4.



(2) The applicant premises are located in an area that falls below the concentration level provided in paragraph (3) of subdivision (a) of Section 23958.4.

(3) The local governing body of the area in which the applicant premises are located determines that public convenience or necessity would be served by the issuance.

(b) The department may impose reasonable conditions on a licensee as may be needed in the interest of the public health, safety, and welfare regarding signing, training for responsible beverage sales and hours, and mode of sale.

(c) This section shall remain in effect only until January 1, 1998, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 1998, deletes or extends that date.

SEC. 2. Section 25503.20 is added to the Business and Professions Code, to read:

25503.20. Notwithstanding any other provision of this division, a manufacturer, winegrower, manufacturer's agent, California winegrower's agent, rectifier, distiller, bottler, importer, or wholesaler may hold the ownership of any interest, directly or indirectly in the premises or in the retail licensee, 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 the licensee, provided that each of the following conditions is met:

(a) The retail license is for a nonprofit school for professional chefs located in Napa County which is operated in conjunction with a bona fide eating place open to the public.

(b) The school's educational program has been accredited by the Board of Regents of the University of California, the State Department of Education, or the Council for Private Postsecondary and Vocational Education or other state-authorized accrediting commission.

(c) The number of items of beer, wine, or distilled spirits by brand offered for sale by the retail licensee, which are produced, bottled, rectified, distilled, processed, imported, or sold by the licensees holding an interest in, serving as an officer or director 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 bona fide public eating place.

SEC. 3. With respect to Section 2 of this act, the Legislature finds and declares that a special law is necessary and that a general law cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because a unique situation beneficial to the public will exist in that a nonprofit school for professional chefs which is a retail licensee is to be located in Napa



County, and may be owned by, supported and sponsored by, managed by, or directed by persons who are manufacturers, winegrowers, manufacturers' agents, winegrowers' agents, rectifiers, distillers, bottlers, importers, or wholesalers.

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