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BUSINESS AND PROFESSIONS CODE - BPC

DIVISION 9. ALCOHOLIC BEVERAGES [23000 - 25762] (Division 9 added by Stats. 1953, Ch. 152.) CHAPTER 3. Licenses and Fees [23300 - 23552] (Chapter 3 added by Stats. 1953, Ch. 152.)

ARTICLE 4. Club Licenses [23425 - 23438] (Article 4 added by Stats. 1953, Ch. 152.)

23425. For the purposes of this article "club" means:

(a) Any chapter, aerie, parlor, lodge, or other local unit of an American national fraternal organization which has as the owner, lessee, or occupant thereof operated an establishment for fraternal purposes. An American national fraternal organization as used in this subdivision shall actively operate in not less than 20 states of the Union and have not less than 175 local units in those 20 states, and shall have been in active continuous existence for not less than 20 years.

(b) Any hall or building association of a local unit mentioned in subdivision (a), all of the capital stock of which is owned by the local unit or the members thereof, and which operates the clubroom facilities of the local unit.

(Amended by Stats. 1979, Ch. 470.)

23426. For the purposes of this article "club" also means any golf club which owns, maintains, or operates a regular golf links together with a clubhouse thereon; or any swimming and tennis club which maintains a standard AAU swimming pool and not less than two regulation tennis courts, together with the necessary facilities and clubhouse, which has members paying regular monthly dues; or any swimming club which maintains a standard AAU swimming pool and not less than two regulation tennis courts, together with the necessary facilities and clubhouse, or any tennis club which maintains not less than five regulation tennis courts, together with the necessary facilities and clubhouse, and which swimming club or tennis club has members paying regular monthly dues.

(Amended by Stats. 1977, Ch. 1070.)

23426.5. (a) For purposes of this article, "club" also means any tennis club that maintains not less than four regulation tennis courts, together with the necessary facilities and clubhouse, has members paying regular monthly dues, has been in existence for not less than 45 years, and is not associated with a common interest development as defined in Section 4100 or 6534 of the Civil Code, a community apartment project as defined in Section 11004 of this code, a project consisting of condominiums as defined in Section 783 of the Civil Code, or a mobilehome park as defined in Section 18214 of the Health and Safety Code.

(b) It shall be unlawful for any club licensed pursuant to this section to make any discrimination, distinction, or restriction against any person on account of age or any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code.

(Amended (as amended by Stats. 2012, Ch. 181, Sec. 17) by Stats. 2013, Ch. 605, Sec. 6. (SB 752) Effective January 1, 2014.)

23427. For the purposes of this article "club" also means any yacht club which is a nonprofit organization and is a regular member of a recognized national nonprofit yachting organization having a membership of not less than 200 member yacht clubs, which owns, maintains, or operates a clubhouse.

(Amended by Stats. 1977, Ch. 1070.)

23428. For the purposes of this article "club" also means any bar association having an authorized delegate to the American Bar Association and composed entirely of attorneys at law, duly admitted, licensed, and qualified to practice within the state, which has a bona fide membership of more than 1,000 members and has been in existence for a period of more than 20 years, and which owns, leases, operates or maintains, a club room or rooms for its membership.

(Amended by Stats. 1977, Ch. 1070.)

23428.1. For the purposes of this article "club" also means any county medical association having an authorized delegate to the California Medical Association and composed entirely of doctors of medicine duly admitted, licensed and qualified to practice

medicine and surgery within the State, which has a bona fide membership of more than 1,000 members and has been in existence for a period of more than 20 years and which owns, leases, operates or maintains a club room or rooms for its members, and has operated the club room or rooms for a period of not less than three years.

(Added by Stats. 1955, Ch. 1377.)

23428.2. For the purposes of this article "club" also means any rod and gun club which is a nonprofit organization belonging to a recognized national association of rod or gun clubs, and which has more than 100 bona fide regular members, each of whom is required to pay regular membership dues of not less than five dollars (\$5) each year, and which owns, maintains, or operates a clubhouse and has continuously operated a clubhouse for not less than three years.

(Amended by Stats. 1957, Ch. 345.)

23428.4. For the purpose of this article, "club" also means any nonprofit social club with at least 100 members, which members are mobilehome owners within a private mobilehome park and have participated as social club members with a designated clubhouse for not less than one year.

(Added by renumbering Section 23428.7 (as added by Stats. 1979, Ch. 623) by Stats. 1981, Ch. 714, Sec. 43.)

23428.5. For the purpose of this article "club" also means any press club which is a nonprofit organization and whose members are entitled to exchange privileges with similar organizations in at least 12 other states, and which has a bona fide membership and which owns, leases, and operates or maintains a clubhouse or clubroom or any nonprofit incorporated press club having a membership and which owns, or leases, and operates, a club room or rooms for its members.

No license shall be issued to any press club qualifying as a club pursuant to this section if the press club in any manner restricts membership or the use of its facilities on the basis of race, religion, national origin, or sex.

(Amended by Stats. 1977, Ch. 1070.)

23428.6. For the purposes of this article, "club" also means any association of livestock, or livestock-allied businessmen, joined together as a nonprofit corporation, registered as such in the State of California. The organization of the group shall be for the sole purpose of social activity.

Such a group shall own, lease, or maintain a club room or rooms for its membership. Such a club may sell and serve alcoholic beverages only to its bona fide members and their bona fide guests.

(Amended by Stats. 1977, Ch. 1070.)

23428.7. For the purposes of this article "club" also means any bona fide nonprofit corporation, which is a bona fide horse riding club, which is a member of a statewide organization or association, which owns, maintains, or operates premises upon which a regular riding club together with a clubhouse is maintained.

(Amended by Stats. 1977, Ch. 1070.)

23428.8. For the purposes of this article, "club" also means any parlor of the Native Sons of the Golden West which has as the owner, lessee or occupant thereof operated an establishment for fraternal purposes.

(Amended by Stats. 1977, Ch. 1070.)

23428.9. For the purpose of this article "club" also means any nonprofit social club which serves daily meals to its members and guests, owns or leases, operates and maintains a club room or rooms for its membership and has operated the club room or rooms for a period of not less than two years and has regular membership dues of not less than fifty dollars (\$50) per year per member.

(Amended by Stats. 1978, Ch. 336.)

23428.10. For the purposes of this article "club" also means any peace officers association which is composed entirely of active and retired peace officers, which holds regular meetings and has regular dues, and which owns, leases, operates, or maintains an establishment for association purposes.

(Amended by Stats. 1977, Ch. 1070.)

23428.11. For the purposes of this article "club" also means any firemen's association which is composed entirely of active and retired firemen, which holds regular meetings and has regular dues, and which owns, leases, operates, or maintains an establishment for association purposes.

(Amended by Stats. 1977, Ch. 1070.)

23428.12. For purposes of this article "club" also means any nonprofit social and religious club which owns or leases, operates and maintains a club room or rooms for its membership, and has operated the club room or rooms for a period of not less than eight years, and has regular membership dues of not less than twenty-five dollars (\$25) per year per member.

(Amended by Stats. 1977, Ch. 1070.)

23428.13. For purposes of this article, "club" also means any club operated by a common carrier by air at an airport terminal. This type of club shall qualify for a license under this article notwithstanding the provisions of Section 23037. The provisions of Sections 23399, 23434, and 23435 and the numerical limitation of Section 23430 shall not apply to this type of club.

(Amended by Stats. 2015, Ch. 257, Sec. 2. (SB 325) Effective January 1, 2016.)

23428.14. For purposes of this article, "club" also means any club operated by commissioned or noncommissioned officers of the National Guard or Air National Guard which owns or leases, operates and maintains a clubroom or rooms for its membership. Such a club, if issued a club license pursuant to Section 23430, may sell and serve alcoholic beverages for consumption within the licensed establishment only to bona fide members of the club and their bona fide guests.

(Added by Stats. 1970, Ch. 455.)

23428.15. For the purposes of this article, "club" also means any parlor of the American Citizens Club in existence on the effective date of this chapter which the club has as the owner, lessee, or occupant thereof operated as an establishment for fraternal purposes and in which alcoholic beverages are sold only to members of the club whose membership dues in the club have been paid.

(Amended by Stats. 1977, Ch. 1070.)

23428.16. For purposes of this article, "club" also means any nonprofit social luncheon club which is composed entirely of active and retired professional men and businessmen, which holds regular meetings and has regular annual membership dues in excess of two hundred dollars (\$200), which owns, leases, operates or maintains such establishment for the serving of regular meals to its members and their guests.

(Amended by Stats. 1977, Ch. 1070.)

23428.17. For the purposes of this article, "club" also means any department or local forum of the American GI Forum of the U.S. which owns or leases, operates and maintains a club room or rooms for its membership. Such a club, if issued a club license pursuant to Section 23430, may sell and serve alcoholic beverages for consumption within the licensed establishment only to bona fide members of the club and their bona fide guests.

(Amended by Stats. 1977, Ch. 1070.)

23428.18. For purposes of this article, "club" also means any labor council which is chartered by a national labor organization having affiliates in each state of the United States, consists of delegates from not less than 20 separately chartered affiliated labor organizations, as defined by the National Labor Relations Act, the combined membership of which is not less than 7,000 persons, and owns or leases a building of not less than 3,000 square feet which is used by the delegates, or members of affiliated labor organizations, or both, for their social activities. No labor council which makes any discrimination, distinction, or restriction against any person on account of such person's age, sex, color, race, religion, ancestry, or national origin shall be licensed pursuant to this section.

(Amended by Stats. 1977, Ch. 1070.)

23428.19. For purposes of this article, "club" also means any private club organized to play handball or racquetball, which owns, maintains, or operates a building containing not less than four regulation-size handball or racquetball courts, which has members, and the members each pay regular monthly dues. As used in this section, a "regulation-size handball or racquetball court" is a court meeting the standards for regulation courts as are promulgated by the United States Handball Association or an equivalent organization.

It shall be unlawful for any club licensed pursuant to this section to make any discrimination, distinction, or restriction against any person on account of any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code.

(Amended by Stats. 2007, Ch. 568, Sec. 7. Effective January 1, 2008.)

23428.20. (a) For the purposes of this article, "club" also means any bona fide nonprofit corporation that has been in existence for not less than nine years, has more than 8,500 memberships issued and outstanding to owners of condominiums and owners of

memberships in stock cooperatives, and owns, leases, operates, or maintains recreational facilities for its members.

- (b) For the purposes of this article, "club" also means any bona fide nonprofit corporation that was formed as a condominium homeowners' association, has at least 250 members, has served daily meals to its members and guests for a period of not less than 12 years, owns or leases, operates, and maintains a clubroom or rooms for its membership, has an annual fee of not less than nine hundred dollars (\$900) per year per member, and has as a condition of membership that one member of each household be at least 54 years of age.
- (c) Section 23399 and the numerical limitation of Section 23430 shall not apply to a club defined in this section.
- (d) No license shall be issued pursuant to this section to any club that withholds membership or denies facilities or services to any person on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code.
- (e) Notwithstanding subdivision (d), with respect to familial status, subdivision (d) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in subdivision (d) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51, Section 4760, and Section 6714 of the Civil Code, and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to subdivision (d).

(Amended (as amended by Stats. 2012, Ch. 181, Sec. 18) by Stats. 2013, Ch. 605, Sec. 7. (SB 752) Effective January 1, 2014.)

23428.21. For the purposes of this article, "club" also means any local dental society having an authorized delegate to the California Dental Association and composed entirely of dentists duly admitted, licensed and qualified to practice dentistry within the state, which has at least 250 members and has been in existence for a period of more than 20 years and which owns, leases, operates or maintains a club room or rooms for its members, and has operated the club room or rooms for a period of not less than three years.

No license shall be issued pursuant to this section to any club which restricts membership or in any other way discriminates against any person in the use of any of its facilities, on the basis of race, religion, national origin, sex, or age.

(Added by Stats. 1983, Ch. 1008, Sec. 1.)

23428.22. For purposes of this article, "club" also means any nonprofit corporation whose principal purpose is to promote cultural ties and understanding between citizens of a foreign country or commonwealth and citizens of the United States, which has a bona fide membership of more than 10,000 members each of whom pay regular membership dues, which owns, leases, operates or maintains an establishment for fraternal purposes. Such a club, if issued a license pursuant to Section 23430, may sell and serve alcoholic beverages for consumption within the licensed establishment only to bona fide members of the club and their bona fide guests.

No license shall be issued pursuant to this section to any club which restricts membership or the use of any of its facilities on the basis of race, religion, national origin, or sex.

(Amended by Stats. 1977, Ch. 1070.)

23428.23. For the purposes of this article "club" also means any letter carriers local which is chartered by a national labor organization having affiliates in each state of the United States, which consists of not less than 1,500 members as defined by the National Labor Relations Act, and which owns or leases a building of not less than 5,000 square feet that is used by the members, or by the members of other labor organizations, or both, for their social activities. No letter carriers local which makes any discrimination, distinction, or restriction against any person on account of such person's age, sex, color, race, religion, ancestry, or national origin shall be licensed pursuant to this section. No club licensed under this section shall engage in the sale of alcoholic beverages for consumption outside of the licensed premises.

(Amended by Stats. 1977, Ch. 1070.)

23428.24. For the purposes of this article "club" also means any bona fide nonprofit social organization which has more than 350 members and which has as the owner, lessee, or occupant thereof operated an establishment for its members and which has been in existence for more than five years and whose purpose is to foster and develop social relations among its members and to foster pride in the national origin of its members by promoting appreciation of such national origin and its contribution to the American social order.

It shall be unlawful for any club licensed pursuant to this section to make any discrimination, distinction, or restriction against any person on account of such person's color, race, religion, ancestry, national origin, sex, or age.

(Added by Stats. 1976, Ch. 1446.)

23428.25. For the purposes of this article, "club" also means any Hidalgo Society the purpose of which is to operate for the advancement of education for the improvement of social and economic conditions, to help lessen neighborhood tension, lessen the burden on welfare systems, to help eliminate prejudice and discrimination and for other charitable causes that might be present in the community. Such a group shall be located in a county of the 32nd class, have members who pay dues, and shall own, lease, or maintain a club room or rooms for its membership.

It shall be unlawful for any club licensed pursuant to this section to make any discrimination, distinction, or restriction against any person on account of such person's color, race, religion, ancestry, national origin, sex, or age.

(Amended by Stats. 1977, Ch. 1070.)

23428.26. For the purposes of this article, "club" also means any nonprofit property owners' association having at least 2,500 members. Such an association must have been in existence for at least five years as of October 1, 1975, and must engage in some volunteer action for the community of which it is a part.

It shall be unlawful for any club licensed pursuant to this section to make any discrimination, distinction, or restriction against any person on account of such person's color, race, religion, ancestry, national origin, sex, or age.

(Added by Stats. 1978, Ch. 540.)

23428.27. For the purposes of this article, "club" also means any peace officers' and employees' association which is composed entirely of active and retired peace officers and employees of a law enforcement agency which holds regular meetings, is located in a county of the first class, and the members of which pay regular dues.

No license shall be issued pursuant to this section to any club which restricts membership or in any other way discriminates against any person in the use of any of its facilities because of that person's color, race, religion, ancestry, national origin, sex, or age.

(Added by Stats. 1985, Ch. 460, Sec. 1. Effective September 3, 1985.)

23428.28. For the purposes of this article, "club" also means any beach and athletic club that owns, maintains, or operates a standard Amateur Athletic Union (AAU) swimming pool together with the necessary facilities and clubhouse, has a minimum of 500 members paying regular monthly dues, and has continuously operated for not less than one year.

No license shall be issued to any beach and athletic club qualifying as a club pursuant to this section if the beach and athletic club in any manner restricts membership or the use of its facilities on the basis of age or any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code.

(Amended by Stats. 2007, Ch. 568, Sec. 8. Effective January 1, 2008.)

- 23428.29. (a) For the purpose of this article, "club" also means a nonprofit umbrella organization established to provide a central meeting location, resources, and services specifically for veterans, including those on active duty, and that owns or leases, operates, and maintains a facility for these purposes. The nonprofit umbrella organization shall serve at least six veteran organizations, composed solely of veterans, that have been chartered by the Congress of the United States for patriotic, fraternal, or benevolent purposes and which post, chapter, camp, or other local unit has operated as such for not less than one year.
- (b) For purposes of this section, members of the veteran organizations served by the nonprofit umbrella organization shall be deemed to be members of the nonprofit umbrella organization regardless of whether they are charged separate dues to hold that membership.
- (c) The nonprofit umbrella organization shall obtain documentation from the veteran organizations it serves as may be necessary to establish that those veteran organizations meet the requirements of this section. The documentation shall be provided to the department upon demand.
- (d) It shall be unlawful for any club licensed pursuant to this section to make any discrimination, distinction, or restriction against any person on account of the person's color, race, religion, ancestry, national origin, sex, or age.

(Added by Stats. 2016, Ch. 363, Sec. 1. (SB 905) Effective January 1, 2017.)

23429. A club as defined in this article is a bona fide club within the meaning of Section 22 of Article XX of the Constitution.

(Added by Stats. 1953, Ch. 152.)

23430. The department may issue one club license to any club as defined in this article.

(Amended by Stats. 1955, Ch. 1221.)

23431. The holder of a club license may exercise all of the rights and privileges permitted by an on-sale general license but may sell and serve alcoholic beverages for consumption within the licensed establishment only to bona fide members of the club and their

bona fide guests. A club license is not transferable from person to person. The provisions of Article 2 of Chapter 5 of this division do not apply to the issuance of club licenses.

(Added by Stats. 1953, Ch. 152.)

23432. Any club which holds an onsale general license which was originally issued to it prior to April 1, 1947, and which transfers its onsale general license to another person shall not be eligible to apply for a club license for a period of at least one year following the date of the transfer of its onsale general license.

(Amended by Stats. 1963, Ch. 1066.)

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.

(Amended by Stats. 2019, Ch. 29, Sec. 31. (SB 82) Effective June 27, 2019.)

23433.5. (a) For the purposes of this article, "club" also means any nonprofit lawn bowls club.

(b) No license shall be issued to any nonprofit lawn bowls club qualifying as a club pursuant to this section if the nonprofit lawn bowls club in any manner restricts membership or the use of its facilities on the basis of age or any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code.

(Added by Stats. 2010, Ch. 273, Sec. 1. (AB 2793) Effective January 1, 2011.)

<u>23434.</u> (a) Notwithstanding any other provision of this division, on and after the effective date of this section, no new club license shall be issued to any club which is not a nonprofit organization.

(b) On and after the effective date of this section, no club license shall be issued to a nonprofit corporation pursuant to a law enacted after the effective date of this section unless the nonprofit corporation engages in at least some volunteer action for the community of which it is a part.

(Added by Stats. 1977, Ch. 1070.)

23435. On and after January 1, 1980, no new club license shall be issued for any club, organization, or association which does not have at least 100 members and which has not been in existence for at least one year.

(Amended by Stats. 1979, Ch. 128.)

23437. Notwithstanding any other provision of this division, no club license issued under this article shall entitle the holder to any off-sale privileges.

(Added by Stats. 1977, Ch. 1070.)

23438. (a) Any alcoholic beverage club licensee which restricts membership or the use of its services or facilities on the basis of ancestry or any characteristic listed or defined in Section 11135 of the Government Code, except for genetic information, shall, when issuing a receipt for expenses which may otherwise be used by taxpayers for deduction purposes pursuant to Section 162(a) of the Internal Revenue Code, for purposes of the Personal Income Tax Law, or Section 24343 of the Revenue and Taxation Code, for purposes of the Bank and Corporation Tax Law, incorporate a printed statement on the receipt as follows:

"The expenditures covered by this receipt are nondeductible for state income tax purposes or franchise tax purposes."

- (b) For purposes of this section, the following terms have the following meanings:
 - (1) "Expenses" means expenses, as defined in Section 17269 or 24343.2 of the Revenue and Taxation Code.
 - (2) "Club" means a club holding an alcoholic beverage license pursuant to the provisions of this division, except a club holding an alcoholic beverage license pursuant to Section 23425.

(Amended by Stats. 2011, Ch. 261, Sec. 2. (SB 559) Effective January 1, 2012.)