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**BUSINESS AND PROFESSIONS CODE - BPC**

**DIVISION 9. ALCOHOLIC BEVERAGES [23000 - 25762]** ( *Division 9 added by Stats. 1953, Ch. 152.* )

**CHAPTER 7. Suspension and Revocation of Licenses [24200 - 24211]** ( *Chapter 7 added by Stats. 1953, Ch. 152.* )

**24200.** The following are the grounds that constitute a basis for the suspension or revocation of licenses:

(a) When the continuance of a license would be contrary to public welfare or morals. However, proceedings under this subdivision are not a limitation upon the department's authority to proceed under Section 22 of Article XX of the California Constitution.

(b) Except as limited by Chapter 12 (commencing with Section 25000), the violation or the causing or permitting of a violation by a licensee of this division, any rules of the board adopted pursuant to Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code, any rules of the department adopted pursuant to the provisions of this division, or any other penal provisions of law of this state prohibiting or regulating the sale, exposing for sale, use, possession, giving away, adulteration, dilution, misbranding, or mislabeling of alcoholic beverages or intoxicating liquors.

(c) The misrepresentation of a material fact by an applicant in obtaining a license.

(d) The plea, verdict, or judgment of guilty, or the plea of nolo contendere to any public offense involving moral turpitude or under any federal law prohibiting or regulating the sale, exposing for sale, use, possession, or giving away of alcoholic beverages or intoxicating liquors or prohibiting the refilling or reuse of distilled spirits containers charged against the licensee.

(e) Failure to take reasonable steps to correct objectionable conditions on the licensed premises, including the immediately adjacent area that is owned, leased, or rented by the licensee, that constitute a nuisance, within a reasonable time after receipt of notice to make those corrections from the department, under Section 373a of the Penal Code. For the purpose of this subdivision only, "property or premises" as used in Section 373a of the Penal Code includes the area immediately adjacent to the licensed premises that is owned, leased, or rented by the licensee.

(f) Failure to take reasonable steps to correct objectionable conditions that occur during business hours on any public sidewalk abutting a licensed premises and constitute a nuisance, within a reasonable time after receipt of notice to correct those conditions from the department. This subdivision shall apply to a licensee only upon written notice to the licensee from the department. The department shall issue this written notice upon its own determination, or upon a request from the local law enforcement agency in whose jurisdiction the premises are located, that is supported by substantial evidence that persistent objectionable conditions are occurring on the public sidewalk abutting the licensed premises. For purposes of this subdivision:

(1) "Any public sidewalk abutting a licensed premises" means the publicly owned, pedestrian-traveled way, not more than 20 feet from the premises, that is located between a licensed premises, including any immediately adjacent area that is owned, leased, or rented by the licensee, and a public street.

(2) "Objectionable conditions that constitute a nuisance" means disturbance of the peace, public drunkenness, drinking in public, harassment of passersby, gambling, prostitution, loitering, public urination, lewd conduct, drug trafficking, or excessive loud noise.

(3) "Reasonable steps" means all of the following:

(A) Calling the local law enforcement agency. Timely calls to the local law enforcement agency that are placed by the licensee, or his or her agents or employees, shall not be construed by the department as evidence of objectionable conditions that constitute a nuisance.

(B) Requesting those persons engaging in activities causing objectionable conditions to cease those activities, unless the licensee, or his or her agents or employees, feel that their personal safety would be threatened in making that request.

(C) Making good faith efforts to remove items that facilitate loitering, such as furniture, except those structures approved or permitted by the local jurisdiction. The licensee shall not be liable for the removal of those items that facilitate loitering.

(4) When determining what constitutes "reasonable steps," the department shall consider site configuration constraints related to the unique circumstances of the nature of the business.

(g) Subdivision (f) does not apply to a bona fide public eating place, as defined in Section 23038, 23038.1, or 23038.2, that is so operated by a retail on-sale licensee or on-sale beer and wine licensee; a hotel, motel, or similar lodging establishment, as defined in subdivision (b) of Section 25503.16; a winegrowers license; a licensed beer manufacturer, as defined in Section 23357; those same or contiguous premises for which a retail licensee concurrently holds an off-sale retail beer and wine license and a beer manufacturer's license; or those same or contiguous premises at which a retail on-sale licensee or on-sale beer and wine licensee who is licensed as a bona fide public eating place as defined in Section 23038, 23038.1, or 23038.2, a hotel, motel, or similar lodging establishment as defined in subdivision (b) of Section 25503.16, a licensed beer manufacturer, as defined in Section 23357, or a winegrowers license, sells off-sale beer and wine under the licensee's on-sale license.

*(Amended by Stats. 2006, Ch. 625, Sec. 2. Effective January 1, 2007.)*

**24200.1.** The following are additional bases upon which the department may suspend or revoke a license:

(a) Failure to take reasonable steps to correct objectionable conditions on the licensed premises, including the immediately adjacent area that is owned, leased, or rented by the licensee, that constitute a nuisance within a reasonable time after receipt of notice to make those corrections from a district attorney, city attorney, or a county counsel, under Section 373a of the Penal Code. For the purpose of this subdivision only, "property or premises" as used in Section 373a of the Penal Code includes the area immediately adjacent to the licensed premises that is owned, leased, or rented by the licensee.

(b) Failure to take reasonable steps to correct objectionable conditions that occur during business hours on any public sidewalk abutting a licensed premises and constitute a nuisance within a reasonable time after receipt of notice to correct those conditions from a district attorney, city attorney, or a county counsel. This subdivision shall apply to a licensee only upon written notice to the licensee from a district attorney, city attorney, or a county counsel.

(c) Notwithstanding that the licensee corrects the objectionable conditions that constitute a nuisance, the licensee has a continuing obligation to meet the requirements of subdivisions (a) and (b), and failure to do so shall constitute grounds for disciplinary action pursuant to this section.

(d) For purposes of this section:

(1) "Any public sidewalk abutting a licensed premises" means the publicly owned, pedestrian-traveled way, not more than 20 feet from the premises, that is located between a licensed premises, including any immediately adjacent area that is owned, leased, or rented by the licensee, and a public street.

(2) "Objectionable conditions that constitute a nuisance" means disturbance of the peace, public drunkenness, drinking in public, harassment of passersby, gambling, prostitution, loitering, public urination, lewd conduct, drug trafficking, excessive loud noise, or failure to comply with the minimum operating standards required by Section 25612.5.

(3) "Reasonable steps" means all of the following:

(A) Calling the local law enforcement agency. Timely calls to the local law enforcement agency that are placed by the licensee, or his or her agents or employees, shall not be construed by the department as evidence of objectionable conditions that constitute a nuisance.

(B) Requesting those persons engaging in activities causing objectionable conditions to cease those activities, unless the licensee, or his or her agents or employees, feel that their personal safety would be threatened in making that request.

(C) Making good faith efforts to remove items that facilitate loitering, such as furniture, except those structures approved or permitted by the local jurisdiction. The licensee shall not be liable for the removal of those items that facilitate loitering.

(4) When determining what constitutes "reasonable steps," the department shall consider site configuration constraints related to the unique circumstances of the nature of the business.

(5) "Reasonable time" shall mean 30 days following service of notice pursuant to either subdivision (a) or subdivision (b) upon a licensee that objectionable conditions exist.

(e) Subdivision (b) does not apply to a bona fide public eating place, as defined in Section 23038, 23038.1, or 23038.2, that is so operated by a retail on-sale licensee or on-sale beer and wine licensee; a hotel, motel, or similar lodging establishment, as defined in

subdivision (b) of Section 25503.16; a winegrowers license; a licensed beer manufacturer, as defined in Section 23357; those same or contiguous premises for which a retail licensee concurrently holds an off-sale retail beer and wine license and a beer manufacturer's license; or those same or contiguous premises at which a retail on-sale licensee or on-sale beer and wine licensee who is licensed as a bona fide public eating place as defined in Section 23038, 23038.1, or 23038.2, a hotel, motel, or similar lodging establishment as defined in subdivision (b) of Section 25503.16, a licensed beer manufacturer, as defined in Section 23357, or a winegrowers license, sells off-sale beer and wine under the licensee's on-sale license.

(f) A hearing for a violation of this section shall be held within 60 days of an accusation being filed.

*(Added by Stats. 2006, Ch. 625, Sec. 3. Effective January 1, 2007.)*

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

(a) If a retail licensee has knowingly permitted the illegal sale, or negotiations for the sales, of controlled substances or dangerous drugs upon his or her licensed premises. Successive sales, or negotiations for sales, over any continuous period of time shall be deemed evidence of permission. As used in this section, "controlled substances" shall have the same meaning as is given that term in Article 1 (commencing with Section 11000) of Chapter 1 of Division 10 of the Health and Safety Code, and "dangerous drugs" shall have the same meaning as is given that term in Article 2 (commencing with Section 4015) of Chapter 9 of Division 2 of this code.

(b) If the licensee has employed or permitted any persons to solicit or encourage others, directly or indirectly, to buy them drinks in the licensed premises under any commission, percentage, salary, or other profit-sharing plan, scheme, or conspiracy.

*(Amended by Stats. 2007, Ch. 349, Sec. 3. Effective January 1, 2008.)*

**24200.6.** The department may revoke or suspend any license if the licensee or the agent or employee of the licensee violates any provision of Section 11364.7 of the Health and Safety Code. For purposes of this provision, a licensee, or the agent or employee of the licensee, is deemed to have knowledge that the item or items delivered, furnished, transferred, or possessed will be used to plant, propagate, cultivate, grow, harvest, compound, convert, produce, process, prepare, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body a controlled substance, if the department or any other state or local law enforcement agency notifies the licensee in writing that the items, individually or in combination, are commonly sold or marketed for that purpose.

*(Added by Stats. 2002, Ch. 1027, Sec. 1. Effective January 1, 2003.)*

**24200.7.** The department shall revoke or suspend any license if the licensee or the agent or employee of the licensee manufactures, distributes, or offers for retail sale powdered alcohol.

*(Added by Stats. 2016, Ch. 778, Sec. 4. (SB 819) Effective January 1, 2017.)*

**24200.8.** In determining the level of discipline for a violation of Section 25602 or 25658, the department may consider as a factor whether there is subsequent death or great bodily injury to the person who is sold, served, furnished, or given the alcoholic beverage, to any other person, or to both.

*(Added by Stats. 2023, Ch. 613, Sec. 2. (SB 498) Effective January 1, 2024.)*

**24201.** Accusations may be made to the department by any person against any licensee. Accusations shall be in writing and shall state one or more grounds which would authorize the department to suspend or revoke the license or licenses of the licensee against whom the accusation is made.

*(Amended by Stats. 1955, Ch. 447.)*

**24202.** (a) All state and local law enforcement agencies shall immediately notify the department of any arrests made by them for violations over which the department has jurisdiction which involve a licensee or licensed premises. Notice shall be given within 10 days of the arrest. The department shall promptly cause an investigation to be made as to whether grounds exist for suspension or revocation of the license or licenses of the licensee.

(b) The department may not open or add an entry to a file or initiate an investigation of a licensee or suspend or revoke a license (1) solely because the licensee or an agent acting on behalf of the licensee has reported to a state or local law enforcement agency that suspected controlled substance violations have taken place on the licensed premises or (2) solely based on activities constituting violations described in such a report, unless the violations reported occurred with the actual knowledge and willful consent of the licensee.

*(Amended by Stats. 1990, Ch. 695, Sec. 1.)*

**24203.** Accusations against any on-sale or off-sale licensee may be filed with the department by the legislative body, or chief of police, of any city in which the premises in question are located, or if the premises are in unincorporated territory, then by the board of supervisors, or the sheriff, of the county, requesting the suspension or revocation of any retail license. Upon the filing of the accusation, the department shall provide for a public hearing thereon within the county in which the premises are located and determine whether or not the license should be revoked or suspended. Whenever the local legislative body, the chief of police, or the sheriff, certifies that the public safety, health, or welfare requires an immediate hearing of the accusation, the public hearing shall be held within 60 days after the filing of the accusation with the department.

*(Amended by Stats. 1980, Ch. 457, Sec. 1.)*

**24204.** The Director of the State Department of Public Health shall immediately notify the department of the conviction of any licensee of any violation of the Sherman Food, Drug, and Cosmetic Law in connection with alcoholic beverages. The department shall promptly cause an investigation to be made as to whether grounds exist for suspension or revocation of the license of such licensee.

*(Amended by Stats. 2017, Ch. 478, Sec. 1. (AB 1724) Effective January 1, 2018.)*

**24205.** The license of any taxpayer shall be automatically suspended upon cancellation of his or her bond, or if the bond becomes void or unenforceable for any reason, or if the taxpayer fails to pay any taxes or penalties due under the Sales and Use Tax Law (Part 1 (commencing with Section 6001) of Division 2 of the Revenue and Taxation Code), the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code), or the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code), when that tax liability arises in whole or in part from the exercise of the privilege of an alcoholic beverage license, or under the Alcoholic Beverage Tax Law (Part 14 (commencing with Section 32001) of Division 2 of the Revenue and Taxation Code). The license shall be automatically reinstated if the taxpayer files a valid bond, or pays his or her delinquent taxes, as the case may be. A suspension under this section for a tax delinquency may only be imposed if the taxpayer is at least three months delinquent.

Upon the petition of any taxpayer whose license has been suspended under this section, a hearing shall be afforded him or her after five days' notice of the time and place of hearing.

*(Amended by Stats. 1996, Ch. 409, Sec. 1. Effective January 1, 1997.)*

**24206.** All accusations against licensees for violating or permitting the violation of Sections 24750 to 24757, inclusive, 24850 to 24881, inclusive, 25000 to 25010, inclusive, 25170 to 25238, inclusive, 25600, 25602, 25607, 25609, 25610, 25611, 25612, 25615, 25630, 25631, 25632, 25633, 25656, 25658, 25663, 25664, or 25665, shall be filed within one year.

*(Amended by Stats. 1963, Ch. 1040.)*

**24207.** All accusations against licensees for violating or permitting the violation of Sections 23300, 23355, 23431, 23453, 24200.5, 25500 to 25508, inclusive, 25601, 25616, or 25657, shall be filed within three years.

*(Added by Stats. 1957, Ch. 1962.)*

**24208.** The periods of one year and three years referred to in Sections 24206 and 24207 shall commence to run as follows:

- (a) If the act or omission alleged as the basis for the suspension or revocation of the license constituted a single transaction, then from the date of the transaction.
- (b) If the act or omission alleged as the basis for the suspension or revocation of the license is of a continuing nature, relating to a condition, or if the occurrence of several acts or omissions is necessary for the institution of disciplinary proceedings, then from the date of the last act or omission.
- (c) If the act or omission alleged as the basis for the suspension or revocation of the license involved fraud, misrepresentation, or concealment, then from the date of the discovery thereof.
- (d) If the basis for the suspension or revocation of the license is a criminal conviction, then from the date such criminal conviction becomes final.

*(Added by Stats. 1957, Ch. 1962.)*

**24209.** When an arrest is made of any person, for a violation of this division, the arresting officer may release such person without taking such person before a magistrate upon such person's signing an agreement to appear in court or before a magistrate at a place and time designated by the arresting officer; provided, that when an arrest is made of a licensee or employee of a licensee the arresting officer shall release such licensee or employee without taking such licensee or employee before a magistrate upon such licensee or employee signing an agreement to appear in court or before a magistrate at a place and time designated by an arresting officer.

*(Added by Stats. 1959, Ch. 199.)*

**24211.** The department may on its own motion at any time before a penalty assessment is placed into effect and without any further proceedings, review the penalty, but such review shall be limited to its reduction.

*(Added by Stats. 1963, Ch. 777.)*