



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites	
------	------------------	----------------	--------------	-----------------	------------------	--------------	--

SB-1283 Brewpub-restaurant licensees: beer sales. (2017-2018)

SHARE THIS:  

Date Published: 09/24/2018 09:00 PM

Senate Bill No. 1283

CHAPTER 736

An act to amend Section 23396.3 of the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor September 23, 2018. Filed with Secretary of State September 23, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1283, Bradford. Brewpub-restaurant licensees: beer sales.

The Alcoholic Beverage Control Act provides for the issuance of various categories of alcoholic beverage licenses, including the imposition of fees, conditions, and restrictions in connection with the issuance of those licenses. Existing law authorizes the issuance of a brewpub-restaurant license, as a form of on-sale retail license, to persons or entities who manufacture not less than 100 barrels and not more than 5,000 barrels of beer annually on the licensed premises, subject to specified conditions and restrictions, and authorizes the sale of beer produced by the licensee for consumption on the premises. The act also prescribes requirements for licenses for the manufacture, distribution, and sale of beer, and allows beer manufacturers to refill containers supplied by consumers, as provided. The act provides that a violation of its provisions is a misdemeanor if not otherwise specified.

This bill would revise the definition of brewpub-restaurant license to require that the licensed premises have a minimum 7-barrel commercial brewing system located permanently onsite, that is capable of producing at least 7 barrels of beer per brewing cycle. The bill would increase the minimum amount to be manufactured by the licensee to 200 barrels. The bill would require that beer produced on the premises be offered for sale to consumers for consumption on or off the premises in a bona fide manner, as specified. The bill would authorize a brewpub-restaurant licensee to label, bottle, package, or refill any container with beer produced on the licensed premises, to sell beer produced by the licensee for consumption off the premises, as provided, and to donate or sell beer manufactured by the licensee to specified nonprofit organizations, as provided. The bill would except donated beer from inclusion in the calculation of minimum amounts of beer production required to be manufactured and sold for purposes of the brewpub-restaurant license. The bill would limit the amount that specified brewpub-restaurant licenses may be sold or transferred for and would impose a limitation on the number of licenses that may be issued as of a specified date. The bill would require a license holder to maintain records to establish compliance with brewpub-restaurant license requirements, as specified. By expanding the definition of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 23396.3 of the Business and Professions Code is amended to read:

23396.3. (a) (1) A brewpub-restaurant license is a retail license which may be issued to a bona fide public eating place, as defined in Section 23038. The licensed premises shall have a minimum seven-barrel commercial brewing system located permanently onsite that is capable of producing at least seven barrels of beer per brewing cycle, and the licensee shall produce not less than 200 barrels nor more than 5,000 barrels of beer annually on the licensed premises. The license authorizes the sale of beer, wine, and distilled spirits for consumption on the premises, and the sale of beer produced by the brewpub-restaurant licensee for consumption on the premises. The license also authorizes the sale of beer produced by the licensed brewpub-restaurant licensee to a licensed beer and wine wholesaler, subject to the requirements of Chapter 12 (commencing with Section 25000). A brewpub-restaurant license does not authorize any of the following:

(A) The sale, furnishing, or exchange of any alcoholic beverages with any other brewpub-restaurant licensee, any licensed beer manufacturer regardless of any other licenses held by the licensed beer manufacturer, or any retail licensee in California.

(B) The sale, furnishing, or exchange of any beer produced on the licensed premises bearing the same trademark as any beer produced by a licensed beer manufacturer.

(C) A brewpub-restaurant licensee to engage a licensed beer manufacturer to produce beer for sale by the brewpub-restaurant licensee.

(2) Beer produced on the premises shall be offered for sale to consumers for consumption on the premises or off-premises in a bona fide manner. In determining whether the licensee is offering beer produced on the premises for sale in a bona fide manner, the department may consider, without limitation, whether, and the extent to which, the licensee actually sells beer manufactured on the licensed premises to consumers.

(b) A brewpub-restaurant licensee shall purchase all beer, wine, or distilled spirits for sale on the licensed premises from a licensed wholesaler or winegrower, except for the beer produced by the brewpub-restaurant licensee on the licensed premises.

(c) Notwithstanding any other law, a brewpub-restaurant licensee may label, bottle, package, or refill any container with beer produced on the licensed premises and may, at the licensed premises, sell beer produced and packaged by the licensee to consumers for consumption off the premises.

(d) A brewpub-restaurant licensee may donate or sell beer produced by the licensee to a nonprofit charitable corporation or association or a nonprofit incorporated trade association pursuant to subdivisions (a) and (b) of Section 25503.9, provided that beer donated pursuant to this section shall not count in the calculation of minimum amounts of beer required to be manufactured and sold pursuant to subdivision (a).

(e) A brewpub-restaurant licensee shall offer for sale on the licensed premises canned, bottled, or draft beer commercially available from licensed wholesalers.

(f) (1) The fee for an original brewpub-restaurant license shall be the same as that specified in Section 23954.5 for an original on-sale general license.

(2) The annual license fee for a brewpub-restaurant license shall be the same as that for an on-sale general license.

(g) An existing brewpub-restaurant license or a brewpub license issued pursuant to an application filed with the department prior to December 31, 2019, shall not be sold or transferred for a price greater than the original license fee paid by the seller or transferor.

(h) (1) The limitations provided in Section 23816 on the number of licensed premises shall not apply to a brewpub-restaurant license application submitted to the department prior to December 31, 2019.

(2) The limitations provided in Section 23816 on the number of licensed premises shall apply to a brewpub-restaurant license application submitted to the department on or after December 31, 2019.

(i) The licensee shall maintain records on a monthly or quarterly basis that are adequate to establish compliance with this section and to enable the department to identify which beer sold by a licensee was produced on the premises in order to establish the licensee's compliance with subdivisions (a) and (b). These records shall be maintained for a period of at least three years and shall be provided to the department within 30 days of receipt of the department's written request.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or

infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.