

### **AB 2004 (Chesbro)**

*Authorizes a beer manufacturer to sell packaged beer at a farmers market (with restrictions). Allows for wine and beer from other sources to be served at a private event held on the premises of a beer manufacturer.*

BACKGROUND: Prior to this bill breweries were allowed to have a booth at farmers markets to promote their brands and sell marketing items such as T-shirts, but they were not allowed to sell beer products. This bill allows breweries to sell packaged beer at a farmers market. This is an important marketing and promotion tool for small breweries and will help grow their business by selling to the local community. Sales of beer are for off-premise take away only. There is no sampling or serving of beer allowed at the farmers market.

Also prior to this bill, a licensed beer manufacturer that did not have a bona fide eating establishment was only allowed to serve beer brewed under their license. No other beer brands or alcoholic beverages such as wine were allowed on the premises. This bill will allow beer manufacturers to serve wine and beer from other sources at private events held on the beer manufactures premise. Craft breweries have increasingly become destination locations that host special events such as weddings, birthday parties, etc. At these private functions, some participants might prefer wine or sparkling wine. This law will allow breweries to expand their business opportunities in hosting private events and functions.

### **AB 2203 (Chesbro)**

*This bill makes it illegal for any person to obliterate, mutilate or mark out the manufacturers name on a metal keg without the written consent of the manufacturer.*

BACKGROUND: AB 2203 makes it much harder for recycler's to take metal kegs from non-owners. California has taken steps to eliminate the practice as recyclers are already prohibited from taking kegs that bear the name of a manufacturer without the written consent from the manufacturer. Opportunists are currently getting around this by defacing or grinding out the indicia on the keg. This bill now makes that in itself a crime.

With the fluctuating price of metal, keg theft has become a chronic problem for beer manufacturers costing the industry as much as \$50 million annually. It's estimated that individual brewers lose up to \$150 to replace a keg. The bill gives law enforcement another legal tool to use against thieves that are stealing kegs, grinding out the name or any identifying information and then recycling the kegs for cash.

### **AB 2609 (Nestande)**

*This bill requires homebrew served at a special event to be confined "within a clearly identified area including... a physical barrier with a monitored point of entry." The bill also allows nonprofit organizations that promote home brewing, to sell beer at fundraising events.*

BACKGROUND: Assembly Bill 1425, passed in 2013 allowed for homebrewed beer to be donated to a nonprofit organization and served at a licensed fundraising event. Since AB 1425 went into law on Jan. 1<sup>st</sup>, 2014, some beer festivals now have both homebrewed beer and commercially licensed beer being served at these events. While attending these events, it is important for the consumer to know which beers are brewed by a commercially licensed beer and which beer is made by a homebrewer. This bill will make a clear distinction between homebrewed beer and commercial beer at these events.

This bill also allows nonprofit organizations that promote home brewing, to sell beer at fundraising events subject to specified conditions. Prior to this bill, homebrew clubs were exempt from the provisions of AB 1425 passed in 2013 and were therefore not allowed to sell homebrewed beer at events which were fundraisers for the club or membership.

### **AB 2010 (Gray)**

*Would impose a maximum of 6 duplicate licenses with a retail privilege, up to 2 of which are allowed to have a bona fide eating establishment.*

Duplicate licenses allow for all of the privileges of the beer manufacturers license except the production of beer. Prior to the passage of this bill, there were no restrictions on the number of duplicate licenses issued to a licensed beer manufacturer. The duplicate license was originally created to allow beer manufacturers the ability to have satellite warehouse facilities for beer storage without being required to obtain additional manufacturing license. This bill restricts the number of duplicate licenses that may have a retail function. There is no limit on the number of duplicate licenses issued for the purpose of beer storage.

### **AB 1928 (Bocanegra)**

*Prohibits a licensed retailer from accepting or redeeming any type of coupon that is funded or furnished by a beer manufacturer or wholesaler.*

This bill will end the practice of retailers providing discounts on beer to consumers paid for by the beer manufacturer. Scan backs and instant redeemable coupons (IRCs) will no longer be allowed as of January 1<sup>st</sup>, 2015 when the bill goes into effect. This bill does not stop retailers from providing consumers discounts on beer; and beer manufacturers will still be able to provide redeemable coupons to consumers. See the CCBA statement [here](#) for more details.

### **AB 1989 (Chesbro)**

*Allow a student, regardless of age, enrolled in a qualified academic institution to taste an alcoholic beverage, for educational purposes, as part of an established degree program in enology or brewing.*

California's post-secondary academic institutions which offer Associate or Bachelor degree programs in brewing or enology sciences are prohibited from allowing students under 21 years of age who enrolled in the necessary coursework to earn a degree in this field, to actually taste the beer or wine they are learning to make. The sensory skills that come from tasting beer and wine is critical to a full understanding of the science being advanced in our university level

classes. AB 1989 creates a narrow and responsible exception to current “drinking age” laws that is tailored to apply to only those students who are 18 to 20 years of age and enrolled in necessary coursework to earn a degree in the production of beer or wine at a qualified academic institution. Only these specified students, and not general education students, will be allowed to taste beer and wine as part of their instruction prior to the age of twenty-one.