

Date of Hearing: July 10, 2019

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Adam Gray, Chair

SB 58 (Wiener) – As Amended March 25, 2019

**SENATE VOTE:** 29-6

**SUBJECT:** Alcoholic beverages: hours of sale

**SUMMARY:** Would authorize the Department of Alcoholic Beverage Control (ABC) to create a pilot program, beginning January 1, 2022, and before January 2, 2027, to issue an additional hours license to an on-sale licensee in a qualified city (Cathedral City, Coachella, Fresno, Long Beach, Los Angeles, Oakland, Palm Springs, Sacramento, San Francisco, and West Hollywood) that would allow the selling, giving, or purchasing of alcoholic beverages at the licensed premises between the hours of 2 a.m. and 4 a.m., upon completion of specified requirements. Specifically, **this bill:**

- 1) Requires ABC, beginning January 1, 2022, to conduct a pilot program whereby the Department of ABC may issue an additional hours license that would authorize, the selling, giving, or purchasing of alcoholic beverages at an individual on-sale licensed premises between the hours of 2 a.m. and 4 a.m. within a qualified city; and, requires the Department of ABC to adopt rules and regulations as specified.
- 2) Defines a "qualified city" to mean means the Cities of Cathedral City, Coachella, Fresno, Long Beach, Los Angeles, Oakland, Palm Springs, Sacramento, San Francisco, and West Hollywood.
- 3) Requires the local governing body, as defined, of a qualified city to designate a task force that includes at least one member of law enforcement and one additional member of the Department of the California Highway Patrol (CHP), to develop a recommended local plan that meets all of the following requirements:
  - a) Shows that the public convenience or necessity will be served by the additional hours and identify the area affected by additional hours and the area affected by these additional hours.
  - b) Shows significant support by residents and businesses within the additional hours service area for the additional hours, pursuant to a determination by the local governing body.
  - c) Includes an assessment by the local governing body, prepared in consultation with local law enforcement, regarding the potential impact of an additional hours service area and the public safety plan, created by local law enforcement, for managing those impacts that has been approved by the local governing body. The assessment shall include crime statistics, data derived from police reports, emergency medical response data, sanitation reports, and public health reports related to the additional hours service area.
  - d) Demonstrates that transportation services are readily accessible in the additional hours service area and assess and include programs to increase public awareness of those transportation services.

- e) Includes programs to increase public awareness of the impacts of alcohol consumption.
  - f) Includes an assessment of the potential impact of an additional hours service area on adjacent cities, counties, and cities and counties, including, but not limited to, nearby law enforcement agencies.
  - g) Indicates that the qualified city chooses to participate in the pilot program.
- 4) Requires the local governing body, upon its independent assessment, to adopt an ordinance that satisfies the elements of the local plan.
  - 5) Upon receipt of an adopted ordinance, as specified, including documentation regarding protests to the ordinance, ABC shall review the ordinance to ensure that the ordinance contains the required information, as specified. ABC shall not issue an additional hours license to an applicant if the ordinance from the qualified city does not meet the requirements, as specified. ABC may review ordinances beginning January 1, 2020.
  - 6) Provides a local governing body may approve a local plan and submit an ordinance to ABC beginning on January 1, 2020.
  - 7) Provides that an on-sale licensee may apply for an additional hours license beginning January 1, 2020. ABC may issue additional hours licenses pursuant to this section beginning January 1, 2020. An additional hours license issued on or after January 1, 2020, and before January 1, 2022, shall become effective on January 1, 2022. An additional hours license issued on or after January 1, 2022, shall become effective on its effective date.
  - 8) Authorizes a local governing body to charge an additional hours licensee a fee to fund local law enforcement.
  - 9) Specifies that an on-sale licensee that has conditions on the license that restrict the hours of sale, service, or consumption of alcohol, to a time earlier than 2 a.m. shall not be eligible for an additional hours license.
  - 10) Requires that all persons engaged in the sale or service of alcohol during the additional hours period complete a responsible beverage-training course.
  - 11) Prohibits the additional hours license to be transferred between on-sale licensed premises.
  - 12) States the determination of the necessity for, and types of, local licensing and local permitting shall be made by the local governing body.
  - 13) Requires ABC, upon receipt of an application, to make a thorough investigation, including whether the additional hours would unreasonably interfere with the quiet enjoyment of their property by the residents of the local community.
  - 14) Authorizes ABC to deny an application if the issuance of that license would tend to create a law enforcement problem or if issuance would result in or add to an undue concentration of licenses.
  - 15) Requires the applicant to notify the law enforcement agencies of the city, the residents of the city located within 500 feet of the premises for which an additional hours license is sought,

and any other interested parties, as determined by the local governing body, within 30 consecutive days of the filing of the application.

- 16) Requires ABC to notify the local governing body and all protesting parties who protests have been accepted of its determination to grant the additional hours license.
- 17) Authorizes any person who has filed a verified protest in a timely fashion that has been accepted to request ABC to conduct a hearing on the issue raised in the protest. The request shall be in writing and filed within 15 business days of the date ABC notifies the protesting party of its determination.
- 18) Restricts access to premises with an additional hours license to patrons 21 years of age or older during the additional hours period. If the person under 21 years of age enters and remains in the licensed premises during the additional hours period, he/she is guilty of a misdemeanor and shall be punished by a fine of no less than \$200 dollars. This provision does not prohibit the presence on the licensed premises of a person under 21 years of age, which is otherwise authorized by law.
- 19) Requires the applicant to pay a nonrefundable fee of \$2,500 at the time of applying for an additional hours license. An original and annual fee for an additional hours license shall be \$2,500. Fees collected shall be deposited into the ABC Fund.
- 20) Provides that in a city that has additional serving hours, any on-sale licensee, or agent or employee of the licensee, who sells or gives to any person any alcoholic beverage or any person who knowingly purchases any alcoholic beverage between the hours of 4 a.m. and 6 a.m. of the same day, is guilty of a misdemeanor.
- 21) On or before January 1, 2026, CHP shall provide the Legislature and the Senate and Assembly Committees on Governmental Organization with a report on the regional impact of the additional hours service areas, which shall include information on any additional costs incurred by adjacent cities, counties, and cities and counties and law enforcement as a result of an additional service area, including the impact an additional hours service area had on arrests for driving under the influence in adjacent cities, counties, and cities and counties.
- 22) Requires a qualified city that chooses to participate in the pilot program to provide the Legislature and the Senate and Assembly Committees on Governmental Organization with a report on the regional impact of the additional hours licenses within one year of the first additional hours license being issued in that city, and then once each year thereafter, as specified.
- 23) Includes a sunset date of January 2, 2027, and makes various legislative findings and declarations.

**EXISTING LAW:**

- 1) The enactment of the 21st Amendment to the United States Constitution in 1933 repealed the 18th Amendment and ended the era of Prohibition. Accordingly, states were granted the authority to establish alcoholic beverage laws and administrative structures to regulate the sale and distribution of alcoholic beverages.

- 2) Establishes ABC and grants it exclusive authority to administer the provisions of the ABC Act (Act) in accordance with laws enacted by the Legislature. This involves licensing individuals and businesses associated with the manufacture, importation, and sale of alcoholic beverages in this state and the collection of license fees.
- 3) Provides that the ABC Act is intended to protect the safety, welfare and morals of the residents of this state, eliminate the unlawful selling and disposing of alcoholic beverages, and to promote temperance in the use and consumption of alcoholic beverages.
- 4) Provides that any on-sale or off-sale licensee, or agent or employee of the licensee, who sells, gives or delivers to any person any alcoholic beverage between the hours of 2 a.m. and 6 a.m. of the same day, and any person who knowingly purchases any alcoholic beverages between those hours, is guilty of a misdemeanor. (Business and Professions Code Section 25632)
- 5) Provides ABC must deny an application for a license if issuance would create a law enforcement problem, or if issuance would result in, or add to, an undue concentration of licenses in the area where the license is desired. For liquor stores and other specified retail licenses, however, the ABC is authorized to issue a license if the respective local government determines that public convenience or necessity would be served by granting the license.
- 6) Caps the number of new on and off-sale general licenses issued by ABC at one for every 2,500 inhabitants of the county where the establishment is located (2,000:1 for on-sale licenses). If no licenses are available from the state due to the population restrictions, those people interested in obtaining a liquor license may purchase one from an existing licensee, for whatever price the market bears. In 1994, the Legislature approved a three-year moratorium on the issuance of new off-sale beer and wine licenses, which at the time was not bound by any population to license restriction. In 1997, this moratorium was made permanent.
- 7) Defines an "on-sale" license as authorizing the sale of all types of alcoholic beverages: namely, beer, wine and distilled spirits, for consumption on the premises (such as at a restaurant or bar):
  - a) On-Sale General: Authorizes the sale of all types of alcoholic beverages: namely, beer, wine and distilled spirits, for consumption on the premises, and the sale of beer and wine for consumption off the premises.
  - b) On-Sale Beer and Wine: Authorizes the sale of all types of wine and malt beverages (e.g., beer, porter, ale, stout and malt liquor) for consumption on and off the premises.
  - c) On-Sale Beer: Authorizes the sale of malt beverages for consumption on and off the premises. (Business and Professions Code Sections 23393, 23394, 23396, and 23399)
- 8) Defines "bona fide public eating place" as a licensed premises that are maintained in good faith and used for the regular service of meals to patrons. The premises must have suitable kitchen facilities and supply an assortment of foods commonly ordered at various hours of the day. There are no restrictions regarding minors entering or remaining on premises licensed and maintained and operated as a bona fide public eating-place.

- 9) States an "off-sale" license authorizes the sale of all types of alcoholic beverages for consumption off the premises in original, sealed containers.

**FISCAL EFFECT:** Unknown

**COMMENTS:**

Purpose of the bill. According to the author's office, "social and nightlife venues are an economic driver in many communities, and the State's food service and entertainment industries generate billions of dollars in consumer spending and employ well over a million Californians. This optional tool for local control over nightlife will increase tax revenue and tourism as well as revitalize business districts. No city would be required to allow alcohol service past 2 a.m. Rather, this bill allows these ten cities to opt in: pure local control."

In support. San Francisco Mayor London N. Breed writes, "Additional alcohol service hours would strengthen the local nightlife, hospitality, and tourism sectors and would significantly enhance the City's vibrancy. Later service hours would help restaurants remain open for dining by swing-shift and overnight workers and other late-night patrons. Additional service hours would also enable music venues to host more performances by local musicians. Extending and staggering closing times could also help reduce sidewalk congestion, noise, and the potential for interpersonal conflicts as patrons exit nightlife venues at the end of an evening. This bill would ensure that the task force designated with developing a local implementation plan appropriately considers public safety, land use, potential conflicts with neighbors, transportation, and other considerations in order to develop a plan specifically tailored to San Francisco's needs. Moreover, the San Francisco Board of Supervisors would need to approve the plan prior to its submission to ABC to ensure that the plan appropriately balances all of the important interests."

City of Fresno Mayor Lee Brand writes, "I understand that, among other things, SB 58 emphasizes local control and includes an opt-in that would require a qualified city to establish a taskforce to be responsible for developing a recommended local plan, which includes showing significant support by residents and businesses within the additional hours services area, an assessment by local law enforcement regarding the potential impact of the additional hours services area, and a public safety plan created by local law enforcement, coupled with a local ordinance that satisfies the plan. These are important protections that ensure full input from community stakeholders. For these reasons, I am confident that the City of Fresno would benefit from being part of the pilot program. This bill would complement our local efforts to drive economic activity within areas the City deems appropriate and safe."

The California Travel Association states, "SB 905 is a well-balanced solution that provides cities the ability to participate in a pilot program that will give them control over night-life, while helping to grow the travel and tourism industry. Currently California destination cities are at a disadvantage when competing with cities both nationally and internationally for tourists, conventions, and conferences. California must compete with Chicago, Washington D.C., New York City, Las Vegas, Atlanta, Miami Beach, and New Orleans, all of whom have late-night service hours beyond 2 a.m. This bill will align California with at least 15 other states where local jurisdictions have the authority to decide alcoholic beverage service hours. This bill is a well-balanced solution that provides local cities the ability to participate in a pilot program that will give them additional tools to enhance their local economies, while helping to grow our travel and tourism industry."

The California Restaurant Association writes, “SB 58 will give eating and drinking establishments the opportunity to work with local governing bodies and local law enforcement to design a plan that works for a specific jurisdiction. This bill provides the 10 pilot cities with an optional tool for local control over nightlife that will increase tax revenue and tourism as well as revitalize business districts. The current California one-size-fits-all model for late-night closing times does not consider our diverse communities and varying needs. Our local communities should be allowed to develop transparent local plans that bring the public, local government, law enforcement, and transportation all to the table. SB 58 is a well-balanced solution that provides local cities the ability to participate in a 5-year pilot program that will give them local control over night-life while helping to grow our travel and tourism industry.”

The California Teamsters Public Affairs Council notes that, “Social and nightlife venues are an economic driver in communities throughout California, and the state's food service and entertainment industries generate billions of dollars in consumer spending and employs well over a million Californians. This bill would align California with at least 15 other states where local jurisdictions have the authority to decide alcoholic beverage service hours. We believe that extending sale hours with appropriate safeguards is a matter of good public policy.”

Supporters note that cities rely on a vibrant nightlife to attract visitors and investment. Creating a pathway to extend hours will benefit the community as a whole by creating jobs, increasing tax revenue, and promoting nightlife within specific communities. Other cities around the U.S. have successful, later opening hours. It is appropriate and beneficial for certain localities within California to extend their nightlife hours.

In opposition. Opponents outline numerous health and safety concerns and state SB 58 will lead to quality of life deterioration, drinkers driving from areas where bars close earlier to bars with later last calls, late night drinkers sharing the road with early morning commuters, and increased alcohol-related harm, including DUI accidents and fatalities. They further note the lack of resources and enforcement capacity to deal effectively with the extra service hours and mitigate the additional harms of late night drinking. Law enforcement is already over extended trying to cover existing closing times. Extending the hours to 4:00 a.m. creates the opportunity for customers to become more intoxicated and more fatigued. Public transportation options are already limited at 2:00 a.m. and will be even more at 4:00 a.m. Furthermore, it will have regional consequences, especially for municipalities within driving distance of cities who adopt a later closing time forcing neighboring cities to absorb increased financial and societal burden related to DUI.

The California Alcohol Policy Alliance and Alcohol Justice write that “[i]n 2018, Senator Wiener introduced SB 905, which would have allowed nine cities to decide for themselves in a half-baked, so-called ‘pilot project’ to extend sales from 2 a.m. to 4 a.m. The legislature ignored the overwhelming evidence that 76% of the state’s population would be turned into unwitting ‘Splash Zone’ lab rats suffering increased public health and safety harms. They passed the bill, but Governor Brown, heeding the advice of the CHP, wisely vetoed the bill with these words: ‘I believe we have enough mischief from midnight to 2 without adding two more hours of mayhem.’”

The Alcohol Policy Panel of San Diego County, writes, “Although San Diego is not a part of the pilot project, this bill concerns us because it appears it is intended to pave the way for broader

implementation down the road. Furthermore, it will have regional consequences for municipalities within driving distance of cities who adopt the later closing time, forcing neighboring cities to absorb increased financial and societal burdens. More than ten studies reveal that increasing the sale of alcohol by two or more hours also increases alcohol-related harms. SB 58 will place additional burdens on law enforcement, emergency service providers and delay emergency responses. It creates an unfunded mandate for law enforcement across the state who will have to extend DUI checkpoints and saturation patrols well into the morning in order to identify drunk drivers leaving the bars.”

Opponents also note that SB 58 lacks any evidence to support the bill author’s claim that extending hours of sale would not increase alcohol-related harm. Forty years of peer-reviewed, public health research finds that two or more hours of increased alcohol sales will produce increases in alcohol consumption and related problems including violence, emergency room admissions, injuries, alcohol-impaired driving, and motor vehicle crashes.

The Barbary Coast Neighborhood Association, based in San Francisco writes, “This bill will simply extend the noise and negative impacts on surrounding residents for two more hours. There are a number of areas throughout the state where entertainment activities are adjacent to residential neighborhoods. Our organization represents a neighborhood directly affected by the traffic, noise and unruly behavior caused by nightlife on the Broadway corridor. We experience a great deal of noise generated by loud intoxicated crowds, car horns, and music from open club doors. On many nights, patrons of Broadway businesses have spilled into surrounding residential areas with behavior that makes some residents apprehensive and uncomfortable. Two more hours of alcohol sales will not lessen those impacts. This bill would encourage more people to drive from areas where bars close earlier to those where bars close later. It would also result in late-night drinkers sharing the road with early morning commuters.”

Background: The enactment of the 21st Amendment to the U.S. Constitution in 1933 repealed the 18th Amendment and ended the era of Prohibition. Accordingly, states were granted the authority to establish alcoholic beverage laws and administrative structures to regulate the sale and distribution of alcoholic beverages. In California, this responsibility was originally entrusted to the State Board of Equalization. In 1955, however, the State Constitution was amended to shift this responsibility to the newly established ABC. The intent in establishing the ABC was to create a governmental organization, which would ensure strict, honest, impartial, and uniform administration and enforcement of the state's liquor laws. The ABC is vested with the exclusive authority to license and regulate the manufacture, distribution and sale of alcoholic beverages within California. ABC is a special fund department that receives funding from fees imposed upon alcoholic beverage licensees.

There are more than 92,000 ABC licenses throughout the state. Retail licenses are the most common type of license encountered by the public – this includes on-sale licensees that are authorized to sell alcoholic beverages for consumption on the premises such as restaurants and bars, and off-sale licensees that are authorized to sell alcoholic beverages for consumption off of the premises such as grocery and liquor stores.

Since 1935, California alcohol licensed businesses have been prohibited from selling, serving and allowing open containers of beverage alcohol to remain in the public portion of the business from 2 a.m. to 6 a.m. All ABC licenses are renewed annually.

The ABC is required to investigate both the applicant and the premises for which a license is applied to determine if the public would be adversely affected by the license issuance. These investigations include an evaluation of the moral character of the applicant and the suitability of the proposed premises. The ABC must deny an application for a license if issuance would create a law enforcement problem or if issuance would result in, or add to, an undue concentration of licenses in the area where the license is desired. For liquor stores and other specified retail licenses, however, the ABC is authorized to issue a license if the respective local government determines that public convenience or necessity would be served by granting the license.

Under the ABC Act, ABC has the authority to suspend, revoke or deny a license if it determines that granting or continuance of the license would be contrary to public welfare or morals. ABC has a clearly delineated disciplinary process for its licensees. The process usually begins with a reported violation then proceeds through an investigation after which an accusation can be filed. ABC conducts administrative hearings with decisions generally proposed by administrative law judges. The process can also include appeals to the ABC Appeals Board and, if necessary and requested, an appeal directly to the California Appellate Courts. However, there is wide variance in the period from the discovery of a violation to a final order of suspension or revocation.

State v. Local Control of Alcohol Policy. ABC is vested with the exclusive authority to license and regulate the manufacture, distribution, and sale of alcoholic beverages within California. Currently, ABC must notify specified local officials of an application for the issuance or transfer of a liquor license, and existing law prohibits ABC from issuing or transferring a license until at least 30 days after these notices are provided. Local officials are also allowed to file a protest against the issuing of the license.

Over the years, local governments have often petitioned the Legislature for greater authority to directly regulate establishments that sell alcohol in respective communities. Much of this activity has been centered on local government's use of zoning laws and conditional use permits that place operating conditions on new businesses that sell alcohol.

Historically, the alcohol industry and retailers have opposed ceding to local government any measure of the state's exclusive authority to regulate alcohol. The industry has advocated that matters relating to the regulation of alcohol should be determined at the state level, as opposed to an assortment of local regulations, which may vary from local jurisdiction to local jurisdiction.

In 1995, the ABC Act was amended to allow a local government to comment on a pending alcohol license application. This raised the standard for an on-sale or off-sale licensee in an area of high crime or an over-concentrated census tract to get their license application approved. ABC license applicants need to have the local government indicate that the pending license is a "public convenience or necessity" (PCN). Before a license can be issued, ABC requires an applicant to obtain any zoning permits that may be required by a local municipality. These zoning permits are most often called "conditional use permits" (CUP) and, the CUP process may occur concurrently with the state process.

Under this bill, the local governing body of a qualified city must establish a task force, including at least one member of law enforcement and one additional member of the CHP, which will be responsible for developing a recommended local plan. The local plan must, among other things, show that the public convenience or necessity will be served by the additional service hours, identify the service area in which licensed premises would be eligible for additional service hours and further identify the area that would be affected by additional service hours, show

significant support by residents and businesses within the additional hours service area, include a public safety plan created by local law enforcement including crime statistics and data derived from various public safety agencies, and show that transportation services are readily available during additional service hours.

Based on the assessment, the local governing body must adopt an ordinance that satisfies the local plan and submit that ordinance to ABC. The on-sale licensee, wishing to obtain an additional hours license, must submit an application for the additional hours privilege, as well as a nonrefundable application fee of \$2,500.

Upon receipt of the ordinance, ABC is required to review the ordinance to ensure compliance with the provisions of this bill. ABC is prohibited from issuing an additional hours license to an applicant within a qualified city if the ordinance from that qualified city does not meet all of the local plan requirements of this bill.

Each qualified city that chooses to participate in this pilot program is required to provide the Legislature with a report on the regional impact of the additional hours licenses within one year of the first additional hours license being issued in that city, and then once each year thereafter. The report is required to include information on any impact the additional service hours had on crime rates in the city, including arrests for driving under the influence and domestic violence. Additionally, the CHP is required to provide the Legislature with a report on the regional impact of the additional service areas including information on any additional costs incurred by adjacent cities, counties, and law enforcement as a result of the additional service hours within five years of implementation of this bill.

According to ABC, there are 9,220 on-sale licenses across the ten qualified cities included in the bill. It is unlikely that all current licensees will apply for an additional hours license. ABC expects an estimated 330 new licenses in FY 2021-22, 440 in FY 2022-23, and 330 in FY 2023-24. The vast majority of these on-sale licenses include Types 40, 41, 42, 47, and 48, which are generally restaurants, bars, taverns, and night clubs.

Closing times in various states: Alcohol last call laws for on-sale consumption vary widely from state to state:

**Midnight:** Mississippi\*

**1:00AM-1:30 a.m.** - Delaware, Idaho\*, Maine, Massachusetts (until 2a.m. in Boston), Missouri\*, Nebraska\*, New Hampshire, Rhode Island, and Utah.

**2:00-2:30 a.m.** - Alabama, Arizona, Arkansas, California, Colorado, Connecticut D.C., Florida\* (cities have passed exemptions to the law which vary from 3:00 a.m. to 5:00 a.m.) Georgia\*, Hawaii\*, Iowa, Kansas, Kentucky (4 a.m. in Louisville), Maryland\*, Massachusetts, Michigan, Minnesota, Montana, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Texas, Vermont, Virginia, Washington\*, Wisconsin (no closing time on New Year's Day), and Wyoming.

**3:00-3:30 a.m.** – District of Columbia\*, Indiana, and Tennessee, West Virginia.

**4:00-5:00 a.m.** - Alaska, Illinois\* (closing hours are up to the decision of counties or towns), New York\*.

**24 hours** – Louisiana \* (2 a.m. in some municipalities), Nevada, and New Jersey\*

**\* Varies by state law or local ordinance** - *Counties and local municipalities may set/restrict opening and closing times for establishments that sell alcoholic beverages. (See sample of states below)*

Alabama: Alcohol can be served 24-hrs unless restricted by local ordinances, 26 of Alabama's 67 counties allow no alcohol to be sold, though possession and consumption remains legal. On and off-premise liquor sales are limited to 2 A.M on Sundays.

District of Columbia: The day before a federal or district holiday, on-premises retailers may sell until 3 a.m. On New Year's Eve, on-premises retailers may sell until 4 a.m. on January 1.

Florida: The county or municipality in which the business is located regulates the operating hours. Most cities stop serving alcohol at 2:00 a.m. However, some cities have passed exemptions to the law, notably Tampa, St. Petersburg, Tallahassee, and Pinellas County (3 a.m.), Broward County (4 a.m.), Key West (4 a.m.), and Miami-Dade County (5:00 a.m.).

Georgia: Hours of sale determined by local jurisdiction. In Atlanta, most bars are allowed to close at 2:30 a.m.

Hawaii: In Honolulu County only, bars stop serving alcohol at 2 a.m., unless they have a "cabaret license", which gives them until 4 a.m.

Idaho: A county or city may, however, by ordinance, allow the sale of alcohol by the drink on a Sunday, Memorial Day and Thanksgiving, and may also extend until 2 o'clock a.m. the hours of the sale of alcoholic beverages by the drink.

Illinois: Closing times depend on municipality. Businesses may not serve alcoholic beverages later than 2:00 a.m., Sunday through Friday, or later than 3:00 a.m. on Saturday without first obtaining an extended hour's permit from the city. In Chicago, a late hour license allows the sale of alcohol until 4 a.m. Monday-Saturday and until 5 a.m. on Sunday.

Louisiana: No state imposed restrictions on on-premises hours. "24 hour" bars are common in New Orleans and in Jefferson Parish. Some municipalities and parishes (including Baton Rouge and East Baton Rouge Parish) require on-premises service to stop at 2:00 a.m.

Mississippi: Last call statewide is midnight, but municipal or county governments may, by ordinance, extend those hours. In certain specified areas, the hours for sale are extended or restricted. Most cities and counties close between Midnight and 2:00 a.m. but some are open until 3:00 a.m. On New Year's Eve, all on-premises permittees may remain open until 1:00 a.m. Most casinos do not have a last call. Currently, 34 (of 82 total) counties in Mississippi do not sell distilled spirits to customers.

Missouri: Special licenses available for bars and nightclubs that allow selling alcohol until 3 a.m. in Kansas City, Jackson County, North Kansas City, St. Louis, and St. Louis County.

Nebraska: State law sets the standard closing time at 1 a.m. but allows local governments to reduce or extend their hours as late as 2 a.m. with a super-majority vote of the city council, village board or county board. Lincoln and Omaha both adopted 2 a.m. closing times in 2010, the first year it was allowed by the Legislature.

New Jersey: Each municipality can control hours by local ordinance. Most municipalities have a last call of 2 or 3 a.m. Atlantic City, Brigantine, Absecon, Elwood, Pomona, Smithville, Galloway, and Mullica (all in Atlantic County) serve 24 hours.

New York: Under state law, establishments must stop serving alcohol by 4 a.m., however the actual closing time is left up to each of New York's 62 counties. The 4 a.m. time applies in New York City, Saratoga Springs, Buffalo, and Albany. Binghamton is 3 a.m. Syracuse and Rochester are at 2 a.m. Elmira, Geneva, and Ithaca have a time of 1 a.m.

South Carolina: Has no statewide restriction on beer and wine sales past 2 a.m., but does not allow sales of distilled spirits after 2 a.m.

Washington: A local government subdivision may fix later opening hours or earlier closing hours than those specified, so long as the hours apply to all licensed premises in the local government subdivision's jurisdiction.

Prior legislation. SB 905 (Weiner of 2018). Was substantially similar to this bill, and would have authorized ABC, beginning January 1, 2020, to issue an additional hours license to an on-sale licensee in a qualified city that would allow the selling, giving, or purchasing of alcoholic beverages at the licensed premises between the hours of 2 a.m. and 4 a.m., upon completion of specified requirements. The measure was vetoed by Governor Brown with the veto message, *"Without question, these two extra hours will result in more drinking. The businesses and cities in support of this bill see that as a good source of revenue. The California Highway Patrol, however, strongly believes that this increased drinking will lead to more drunk driving. California's laws regulating late night drinking have been on the books since 1913. I believe we have enough mischief from midnight to 2 without adding two more hours of mayhem."*

SB 384 (Weiner) of 2017. Would have established a process whereby an on-sale licensee would have been able to apply to the ABC for the privilege of extending hours of alcohol sales from 2 a.m. to 4 a.m., in any city where the local government approved and certified a local plan, and submitted the plan to ABC. *(In the Assembly Appropriations Committee, the bill was gut and amended to require ABC, on or before April 1, 2018, to convene and appoint members to an Extended Hours for Alcohol Sales Task Force that would be required to provide a report to the Legislature regarding the potential community, fiscal, health or safety impact of extending the hours of alcohol sales to 4 a.m.)*

SB 635 (Leno) of 2013. Would have allowed an on-sale alcohol licensee to apply to ABC to authorize, with or without conditions, the selling, giving, delivering, or purchasing of alcoholic beverages at the licensed premises between the hours of 2 a.m. and 4 a.m., upon completion of specified requirements by the local jurisdiction in which the licensee is located. (Held in Senate Governmental Organization Committee)

AB 1739 (Governmental Organization Committee), Chapter 744, Statutes of 2007. Among other thing, modified an existing provision of the ABC Act relative to hours of sale and delivery of

alcoholic beverages to clarify that, during a change from Pacific Standard Time to Pacific daylight time, or back again to Pacific Standard Time, 2 a.m. means two hours after "midnight."

AB 2433 (Leno) of 2004. Would have extended the hours of alcohol sales for on-sale licensees in the City and County of San Francisco from 2 a.m. to 4 a.m. (Held in Assembly Governmental Organization Committee)

AB 701 (Horton), Chapter 40, Statutes of 2003. Would have provided that an on-sale license that is open for business and sells or offers for sale alcoholic beverages past 1 a.m. may not sell or serve more than one alcoholic beverage to a person less than 15 minutes prior to closing time. (Amended to address a horse racing issue)

AB 1885 (Lipscomb), Chapter 152, Statutes of 1953. Codified SB 919, (Pierovich), Chapter 330, Statutes of 1935, of the Act. In part, prohibited the sale of alcoholic beverages by an on-sale licensee between the hours of 2 a.m. and 6 a.m.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

213 Hospitality Los Angeles  
California Asian Pacific Chamber of Commerce  
California Hotel & Lodging Association  
California Restaurant Association  
California Teamsters Public Affairs Council  
California Travel Association  
Cathedral City City Council  
Central City Association of Los Angeles  
City and County of San Francisco  
City and County of San Francisco  
City of Coachella  
City of Fresno  
City of Los Angeles  
City of Oakland  
City of Palm Springs  
City of Sacramento  
City of West Hollywood  
Hotel Council of San Francisco  
Long Beach Area Chamber of Commerce  
Lyft  
San Francisco Bar Owner Alliance  
San Francisco Chamber of Commerce  
San Francisco Travel Association  
Valley Industry and Commerce Association  
West Hollywood Chamber of Commerce

### **Opposition**

Alcohol and Drug Abuse Prevention Team of San Ramon Valley  
Asian American Drug Abuse Program

Barbary Coast Neighborhood Association  
Behavioral Health Services  
California Alcohol Policy Alliance  
California Council of Alcohol Problems  
California Society of Addiction Medicine  
California Youth Council  
Center for Open Recovery  
Council of Alcoholism and Drug Abuse Santa Barbara  
County Behavioral Health Directors Association of California  
DogPAC of San Francisco  
Elmhurst Neighborhood Association  
Fetal Alcohol Spectrum Disorders Network of Southern California  
Los Angeles Drug and Alcohol Policy Alliance  
Mountain Communities Coalition Against Substance Abuse  
National Coalition Against Prescription Drug Abuse  
Newton Booth Neighborhoods Association Sacramento  
Pacoma Urban Village  
Project SAFER Educational Foundation  
Puebloy Salud Inc.  
Tahoe Park Neighborhood Association  
The Alcohol Policy Panel of San Diego County  
The Cesar Chavez Commemorative Committee of San Fernando  
The Health Officers Association of California  
West Contra Costa County Alcohol Prevention Coalition

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