

CONCURRENCE IN SENATE AMENDMENTS

AB 239 (Villapudua and Robert Rivas)

As Amended July 15, 2021

Majority vote

SUMMARY

This bill allows a licensed winegrower to sell or deliver wine in containers supplied, furnished, or sold by the customer at the winegrower's offsite tasting room.

Senate Amendments

- 1) Add Senator Borgeas as a coauthor.
- 2) Make a technical change.

COMMENTS

Background: A Type 02 license authorizes the sale of wine and brandy to any person holding a license authorizing the sale of wine and brandy, and to consumers for consumption off the premises where sold. Wineries holding a Type 02 license may obtain what is known as a Duplicate Type 02 license, which allows a winery to have a tasting room away from the facilities where the wine is made. Some wineries have tasting rooms both at the facility where they produce their wine and a tasting room at a different location. Either way, a winery may have no more than one off-site tasting room.

Wineries are authorized to offer tasting of wine for free or for a charge at their tasting room. They also have the ability to sell wine by the glass or bottle for consumption on or off the premises. Some wineries operate under an "alternating proprietor" agreement, which allows two or more persons or entities to alternate on the use of the same space and equipment to produce wine. Of the 6,511 total winegrower licensees, 1,627 winegrowers currently hold one duplicate license.

Typically, though not in every jurisdiction, a winery owner is required to obtain a local permit. These local permits can vary dramatically and not every tasting room is required to obtain a local permit. These requirements are all dependent on the location where the prospective tasting room is to be located and the local requirements of that jurisdiction.

Existing law prohibits a winegrower with a Type 02 license from filling or refilling containers supplied by a consumer at premises licensed with a duplicate Type 02 license. A winegrower can fill bottles that they own at premises that are licensed with a duplicate, but they cannot fill consumer-supplied containers. This bill removes that prohibition.

According to the Author

According to the author's office, "under AB 239, the restriction for wineries will be removed, allowing licensed winegrowers to fill consumer-provided bottles at their wineries and tasting rooms. Allowing wineries to refill consumer bottles will not only bring parity to existing law governing breweries, but it will also limit waste by reducing the amount of bottles needed in the packaging process."

Arguments in Support

The Monterey County Vintners and Growers Association writes in support, "... with the COVID-19 pandemic, it is even more important to provide economic tools for wineries, particularly boutique wineries, to rebuild their businesses after being closed for tastings for months."

In support of this measure, the California Farm Bureau states, "As California maintains the leading wine grape production regions and industry in the Nation, the economic and social impacts from the COVID-19 pandemic on local wine grape growers and wineries have been traumatic. In addition to losing access to a broad consumer base through on-site consumption at tasting rooms and cellars as social distancing restrictions were implemented, wine grape growers and retailers have been limited in accessing retail venues, particularly restaurants, to market and offer their premier products. AB 239 will offer an important avenue for wine grape growers and processors to share their products so consumers can again enjoy the bounty of California's wine through a state-endorsed process."

Arguments in Opposition

According to Alcohol Justice, "there are issues of product safety and over-consumption in allowing wine or brandy to be sold or delivered off of their licensed premises in containers controlled by the consumer. We can imagine wine delivery trucks looking much like a barrel pulling up curbside to a venue and poured from a spigot to a non-sanitary bucket. This simple language allows a wide range of malfeasance and throws caution to the wind."

FISCAL COMMENTS

According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

VOTES:**ASM GOVERNMENTAL ORGANIZATION: 22-0-0**

YES: Frazier, Bigelow, Aguiar-Curry, Berman, Bonta, Cooley, Cooper, Daly, Davies, Gallagher, Eduardo Garcia, Gipson, Jones-Sawyer, Lackey, Low, Mathis, Quirk-Silva, Ramos, Robert Rivas, Blanca Rubio, Salas, Smith

ASM APPROPRIATIONS: 16-0-0

YES: Lorena Gonzalez, Bigelow, Bloom, Calderon, Carrillo, Chau, Megan Dahle, Davies, Fong, Gabriel, Eduardo Garcia, Kalra, Levine, Nazarian, Quirk, Robert Rivas

ASSEMBLY FLOOR: 77-0-1

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Boerner Horvath, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Davies, Flora, Fong, Frazier, Friedman, Gabriel, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Lorena Gonzalez, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Maienschein, Mathis, Mayes, McCarty, Medina, Muratsuchi, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

ABS, ABST OR NV: Mullin

SENATE FLOOR: 39-0-1

YES: Allen, Archuleta, Atkins, Bates, Becker, Borgeas, Bradford, Caballero, Cortese, Dahle, Dodd, Durazo, Eggman, Glazer, Gonzalez, Grove, Hertzberg, Hueso, Hurtado, Jones, Kamlager, Laird, Leyva, Limón, McGuire, Melendez, Min, Newman, Nielsen, Ochoa Bogh, Pan, Portantino, Roth, Rubio, Skinner, Umberg, Wieckowski, Wiener, Wilk

ABS, ABST OR NV: Stern

UPDATED

VERSION: July 15, 2021

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FN: 0001500