
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2021 - 2022 Regular Session

AB 495 (Bigelow) - Alcoholic beverage control: licensure

Version: June 16, 2022

Urgency: No

Hearing Date: August 11, 2022

Policy Vote: G.O. 11 - 0

Mandate: No

Consultant: Janelle Miyashiro

Bill Summary: AB 495 allows a distilled spirits manufacturer that is also a beer manufacturer with at least two beer and wine wholesale licenses and at least two manufacturing locations in the state to distribute distilled spirits they own, hold an interest in, or have a license to manufacture.

***** ANALYSIS ADDENDUM – SUSPENSE FILE *****

The following information is revised to reflect amendments
adopted by the committee on August 11, 2022

Fiscal Impact: Unknown, potentially significant legal costs to the Department of Alcoholic Beverage Control (ABC). The Department of ABC notes it would need to review all of its distilled spirits (DS) licensees and importers to ensure there are no conflicts with the new allowances for a DS license. For those licensees that do have conflicts, the Department of ABC would need to request the licensee to cancel their DS manufacturer or importer license, and if the licensee does not, the Department of ABC would need to initiate administrative action seeking to revoke one of the licenses.

Author Amendments:

- Reauthorizes a person holding a specified ownership or interest in an importer's license to hold a distilled spirits manufacturer's license or a distilled spirits manufacturer's agent's license.
- Recasts the authorization for a distilled spirits manufacturer to self-distribute distilled spirits they own, hold an interest in, or have a license to manufacture as follows:
 - Provides that a distilled spirits manufacturer within or without this state may also hold a distilled spirits importer or wholesalers license if, as of July 1, 2022, they are a beer manufacturer with at least two manufacturing locations in this state or another, they hold at least two beer and wine wholesale licenses in this state, and they have a direct ownership interest in a distilled spirits manufacturer in this state or another.
 - Authorizes a person holding a distilled spirits importer or wholesaler's license pursuant to the above to import and distribute only distilled spirits products that meet any of the following criteria:
 - The distilled spirits are manufactured or produced either within or without this state by an entity in which the licensee holds a direct interest.

- The distilled spirits are manufactured or produced under a written contract with another manufacturer within or without this state for an entity in which the licensee holds a direct interest.
 - The distilled spirits are produced and bottled under a written contract with another manufacturer within or without this state for an entity in which the licensee holds a direct interest.
- Make conforming changes.

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