

Date of Hearing: June 10, 2026

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Blanca Rubio, Chair

SB 1273 (Cabaldon) – As Amended May 28, 2026

**SENATE VOTE:** 40-0

**SUBJECT:** Alcoholic beverages: tied-house restrictions: instructional events and promotional lectures: video advertisements

**SUMMARY:** This bill would revise various advertising prohibitions for specified alcohol licensees when conducting instructional tastings events at a retailer's location, to, among other things, to include videos of up to 60 seconds and removes the requirement that the specified information and any pictures, illustrations, or depictions in the advertisement be relatively inconspicuous in relation to the advertisement as a whole. Specifically, **this bill**:

- 1) Expands existing provisions of the Alcoholic Beverage Control Act (Act) governing advertisements by authorized licensees (including winegrowers, licensed beer manufacturers, distilled spirits manufacturers, etc. and their designated representatives) for instructional events held on a retailer's premises. Permits advertisements for authorized instructional events to include videos of up to 60 seconds in length when published in advance of the event.
- 2) Removes the requirement that the specified information and any pictures, illustrations, or depictions in that advertisement be relatively inconspicuous in relation to the advertisement as a whole.
- 3) States an authorized licensee, or its designated representative in advance of an authorized instructional tastings event at a retailer's premises, as specified, may list or reference in an advertisement for the instructional event the name, address, telephone number, email address, internet website address, and any other electronic media of the retail licensee, the names of the alcoholic beverages (brand names) being featured at the instructional event, and the time, date, and location of, and other information about, the instructional event, and the advertisement may contain pictures, illustrations, videos, and depictions of the retailer's premises, personnel, and customers, subject to specified limitations.
- 4) Makes technical and clarifying changes.

**EXISTING LAW:**

- 1) The enactment of the 21st Amendment to the U.S. Constitution in 1933 repealed the 18th Amendment and ended the era of Prohibition.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.
- 2) Establishes ABC and grants it exclusive authority to administer the provisions of the ABC 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 for this purpose.

3) Permits winegrowers, winegrower's agents, and wine importers to conduct and/or participate in instructional consumer tastings at a retailer's premises, subject to a number of conditions. No premium, gift, free goods, or other things of value may be given away in connection with the instructional event, and no alcoholic beverages may be given away except for limited samples. Current law also allows limited advertising of the event by the licensee, including basic identifying information and still images, but prohibits listing retail prices, making laudatory references to the retailer, using video, or making the retailer's information overly prominent.

4) Allows a licensed beer manufacturer or a holder of a beer and wine importer's general license, or other defined designee, to conduct an instructional event for consumers held at an on-sale retail licensee's premises featuring beer. The listing of the retailer's name and address is the only reference to the retailer in the advertisement and is relatively inconspicuous in relation to the advertisement as a whole. Pictures or illustrations of the retailer's premises and laudatory references to the retailer in these advertisements are not authorized. Orders for the sale of beer may be accepted by the beer manufacturer conducting an instructional event if the sales transaction is completed at the beer manufacturer's licensed premises.

5) Provides an authorized licensee, or a designated representative, as specified, may conduct, on the area, as defined, an instructional tasting event for consumers on the subject of wine, beer, or distilled spirits, including, but not limited to, the history, nature, values, and characteristics of wine, beer, or distilled spirits, as specified. Advertisements for the instruction may include the licensee's contact information (name, address, phone number, email, website, and other electronic media), but this information must remain relatively inconspicuous, as defined. Any images used must be still pictures or illustrations (videos are not allowed). Reposting social media content, including a retailer's own posts, is permitted as long as all advertising requirements are met.

6) Allows an authorized licensee, or its designated representative, to instruct consumers at an on-sale retail licensed premises authorized to sell its product with the permission of the retail on-sale licensee. An authorized licensee (or their representative) may include specified information in public advertisements for an instructional tasting event. In this regard, specified information, pictures, illustrations, and depictions of the retailer's premises, personnel, and customers may be listed in advertisements for the event if the pictures, illustrations, or depictions are relatively inconspicuous in relation to the advertisement as a whole and video is not permitted. This is allowed in addition to any standard point-of-sale advertising.

**FISCAL EFFECT:** According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

**COMMENTS:**

Purpose of the bill. According to the author's office, "This bill provides a targeted modernization to California's tied-house laws, building on the Legislature's prior work in AB 2452 (2018) and SB 788 (2019) by allowing winegrowers and wine importers to use short-term video in advertisements promoting legally permitted consumer events like winemaker dinners and tastings. Social media has changed dramatically since the Legislature last addressed this issue, and platforms like Instagram, TikTok, and Facebook now overwhelmingly favor video content, leaving California vintners at a growing disadvantage in reaching their own customers. At a time when the industry is facing serious headwinds, with well-known wineries downsizing or closing

in recent months, this bill gives vintners a more authentic way to meet consumers where they are, at no cost to the state.”

Recent amendments further modernize tied-house restrictions for specified license holders and on-sale retail licensees by permitting the use of video content in supplier advertisements to promote an instructional tasting event, while preserving safeguards against undue retailer promotion.

### **Background.**

Tied-House Laws/Three-Tier System. Tied-house laws separate the alcoholic beverage industry into a three-tier license system (manufacturer, wholesaler, and retailer) and generally prohibit alcoholic beverage licensees from giving any gift in connection with the sale or distribution of an alcoholic beverage. The original policy rationale for this body of law was: 1) promote the state's interest in an orderly market; 2) prohibit the vertical integration and dominance by a single producer in the market place; 3) prohibit commercial bribery and to protect the public from predatory marketing practices; and, 4) discourage and/or prevent the intemperate use of alcoholic beverages.

Tied-house laws generally prohibit common ownership between suppliers and retailers and restrict alcoholic beverage suppliers from exerting control over retailers through direct or indirect means. Generally, and absent a statutory exemption enacted by the Legislature, a licensee holding one type of license may not operate as another type of licensee within the three-tier system. Over time, the Legislature has enacted limited exceptions to these restrictions in circumstances where it determined that the public interest would remain adequately protected.

Current authorizations. Winegrowers, their agents, and wine importers may hold instructional consumer tastings at a retailer's location, but only under specific legal conditions. They may provide small, free samples, since giveaways are otherwise prohibited. Alcohol cannot be sold at the tasting, though they may take orders as long as the actual sale is completed later at their own licensed premises. Current law also allows limited advertising of the event by the licensee, including basic identifying information and still images, but prohibits listing retail prices, making laudatory references to the retailer, using video, or making the retailer's information overly prominent.

SB 1273 expands on provisions in the Act related to advertisements by the wine industry for instructional events for consumers at a retailer's premises. This bill allows for the advertisements to contain videos that are up to 60 seconds long and removes the requirement that the specified information and any pictures, illustrations, or depictions in that advertisement be relatively inconspicuous in relation to the advertisement as a whole.

Existing law authorizes certain licensees, or their representatives, to conduct or participate in defined instructional activities at a retailer's premises under specified conditions. Current law permits advertisements for these events to include limited information, pictures, illustrations, and depictions of the retailer's premises, personnel, and customers only if those visuals are relatively inconspicuous within the overall advertisement, and it prohibits the use of video. SB 1273 would expand this authority by allowing advertisements to include pictures, illustrations, videos, and depictions of the retailer's premises, personnel, and customers, subject to specified limitations.

Current statute limits how designated and on-sale retail licensees may advertise instructional tasting events to the general public, restricting them to specific mediums like flyers, newspapers, and interior signage. SB 1273 eliminates these channel restrictions, broadly authorizing licensees to advertise these events across various mediums. This bill seeks to modernize provisions governing how specified licensees advertise instructional events held at a retailer's premises, as specified. Major platforms including Instagram, Facebook, and TikTok have shifted their algorithms to prioritize video content, particularly short-form videos. Proponents contend that this update offers a sensible modernization of tied-house rules by permitting video in supplier advertising without weakening protections against undue retailer influence.

In support. According to the Napa Valley Vintners, "This bill further amends the changes made to the Business and Professions Code through AB 2452 (2018) by permitting wineries to promote events through social media. That measure represented a good-faith effort to align California's tied-house advertising rules with the realities of social media promotion at that time by allowing for photos and social media handles to be used in promotions. However, the digital landscape has shifted dramatically in the intervening seven years in ways that the Legislature could not have fully anticipated. SB 1273 is a common-sense fix that modernizes tied-house restrictions to allow video content in supplier advertisements, while maintaining protections against undue retailer promotion."

The California Craft Brewers Association writes, "SB 1273 will ensure full compliance with State and Federal tied-house laws by establishing conditions that prohibit laudatory references or promotion of a retail licensee beyond its specific participation in the event. Any pictures, illustrations, videos, or depictions of the retail licensee's premise where the beer or wine event is to occur will not constitute a commercial for the retail licensee, only inform the viewer of the date, only inform the viewer of the date, time, location, and expectations of the event. Our members frequently use social media platforms like Instagram, Facebook, and TikTok to promote their products and businesses. This bill will modernize the Act while upholding full compliance with the intent of California's tied-house laws."

Prior legislation. AB 2452 (Aguiar-Curry), Chapter 705, Statutes of 2018. Revised various advertising prohibitions for alcohol licensees when conducting instructional events at a retailer's location to, among other things, allow for pictures, illustrations, and depictions of the retailer's premises and for the name, address, telephone number, email address, Internet Web site address, and any other electronic media of the licensee upon whose licensed premises the event will be held.

AB 1891 (Levine), Chapter 273, Statutes of 2018. Permitted a licensed craft distiller to instruct consumers and conduct tastings on the premises of an on-sale and off-sale retailer, as long as certain specified conditions are met.

AB 780 (Williams), Chapter 408, Statutes of 2015. Made clarifying and conforming changes relating to the listing of on-sale and off-sale retailers as a thing of value in order to enable licensees to connect with each other for normal commercial purposes.

AB 636 (Hall), Chapter 329, Statutes of 2013. Permitted a winegrower, California winegrower's agent, importer, or other specified parties appearing at an instructional event, as specified, to provide autographs to consumers or consumer advertising specialties given by the person to a consumer or on any item provided by a consumer; and prohibited a requirement of the purchase of any alcoholic beverage in connection with such autographing.

SB 1101 (Wolk), Chapter 177, Statutes of 2010. Clarified that winemakers who participate in instructional events or “meet the winemaker dinners,” held at a retailer’s licensed premises for consumers, may offer minimal samples, no more than three one-ounce tastes, of wine from “bottles.”

AB 605 (Portantino), Chapter 230, Statutes of 2010. Added new provisions to the Act authorizing the ABC to issue to the holder of an “off-sale” retail license an “instructional tasting license” (Type 86) for the purpose of furnishing tastings of alcoholic beverages to consumers, subject to certain limitations.

**REGISTERED SUPPORT / OPPOSITION:****Support**

Napa Valley Vintners (Sponsor)  
California Craft Brewers Association  
Family Winemakers of California

**Opposition**

None on file

**Analysis Prepared by:** Eric Johnson / G.O. / (916) 319-2531