

THIRD READING

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Bill No: SB 917  
Author: Laird (D)  
Amended: 3/25/26  
Vote: 21

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SENATE GOVERNMENTAL ORG. COMMITTEE: 14-0, 3/24/26

AYES: Rubio, Valladares, Alvarado-Gil, Archuleta, Blakespear, Cervantes,  
Dahle, Hurtado, Ochoa Bogh, Padilla, Richardson, Smallwood-Cuevas, Wahab,  
Weber Pierson

NO VOTE RECORDED: Ashby

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

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**SUBJECT:** Alcoholic beverages: certified farmers' market sales permit

**SOURCE:** California Association of Winegrape Growers  
Family Winemakers of California

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**DIGEST:** This bill makes various changes to provisions in the Alcoholic Beverage Control (ABC) Act that currently authorizes a licensed winegrower to conduct limited instructional tastings at a certified farmers' market (CFM). This bill (1) deletes the requirement that wine sold by the winegrower is produced entirely from grapes or other agricultural products grown by the winegrower; (2) increases the number of licensees allowed to conduct an instructional tasting from one to three licensees.

**ANALYSIS:**

Existing law:

- 1) Establishes the Department of 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.

- 2) Provides that CFMs are California agricultural product point-of-sale locations that are registered under the provisions of the California Food and Agriculture Code and the California Department of Food and Agriculture (CDFA).
- 3) Authorizes the Department of ABC to issue a CFM sales permit that authorizes a licensed winegrower to sell wine produced and bottled by the winegrower at certified farmers' market locations. Additionally, the CFM sales permit allows the licensed winegrower to conduct a limited instructional wine tasting event by the licensee at a CFM.
- 4) Provides that only one licensee may conduct an instructional tasting event during the operational hours of a CFM.
- 5) Requires, at all times during an instructional tasting event, the event to be separated from the remainder of the market by a wall, rope, cord, chain, fence, or other permanent or temporary barrier.
- 6) Prohibits the licensed winegrower from pouring more than three ounces of wine per person per day and from selling more than 5,000 gallons of wine annually pursuant to all CFM market sales permits held by any single winegrower.
- 7) Requires the licensed winegrower to report total CFM wine sales to the Department of ABC on an annual basis.
- 8) Establishes the Responsible Beverage Service (RBS) Training Program that requires the Department of ABC to develop, implement, and administer a curriculum for servers of alcohol and their managers, as specified. Alcohol servers are required to successfully complete an RBS training course offered or authorized by the Department of ABC.

This bill:

- 1) Deletes the requirement that wine sold by the winegrower according to a CFM sales permit is produced entirely from grapes or other agricultural products grown by the winegrower.

- 2) Increases the number of licensees allowed to conduct an instructional tasting event during a CFM to three.
- 3) Clarifies that instructional tastings under a CFM sales permit are subject to RBS requirements.

## **Background**

*Author's Statement.* According to the author's office, "Senate Bill 917 strengthens the California wine industry – which has faced significant challenges in recent years – by expanding opportunities for winemakers to connect with consumers at farmers markets. Currently, to participate in farmers markets, wineries must grow grapes on land they own, reinforcing land ownership as a barrier to market access. SB 917 eliminates this requirement that locks small wineries out of farmers markets to increase equitable access to local markets and encourage consumers to engage with local wine producers."

*Winegrower License.* A winegrower license, commonly referred to as a Type 02 license, authorizes the holder to manufacture wine at a licensed premises and to sell the wine they produce, including direct sales from the winery. The license requires a winegrower to have facilities and equipment for the conversion of fruit into wine and engage in the production of wine. Winegrowers may also conduct tastings of their own wine at their licensed location and can operate additional tasting rooms outside of their primary licensed location.

Federal Alcohol and Tobacco Tax and Trade Bureau (TTB) regulations permit a winegrower to use the facilities and equipment of another winegrower to produce wine. This is commonly referred to as an "alternating proprietorship." Separate winegrower licenses are issued to each legal entity manufacturing wine under its own bonded winery permit. This license type is subject to RBS requirements and requires alcohol servers and managers of alcohol servers to be RBS certified.

In fiscal year 2024–25, there were approximately 6,874 licensed winegrowers in California. Napa County had the highest number, with 1,931 licenses, followed by Sonoma County with 1,380, and San Luis Obispo County with 614.

*Instructional Tastings at CFMs.* In 2000, Governor Gray Davis signed AB 2520 (Thomson, Chapter 384, Statutes of 2000) authorizing the Department of ABC to issue a CFM sales permit allowing winegrowers to sell wine produced and bottled entirely by the winegrower from grapes grown by the winegrower at a CFM. The

bill prohibited the licensee from selling more than 5,000 gallons of wine per year at a CFM and required the winegrower to report their total CFM wine sales annually to the Department of ABC.

In 2014, this privilege was expanded by the signing of AB 2488 (Levine, Chapter 98, Statutes of 2014) which further allowed a licensed winegrower the privilege of conducting limited instructional wine tastings for consumers at farmers' markets. Under the law, a winegrower who obtains a CFM sales permit may host limited instructional tasting events, provided the tasting area is clearly separated from the rest of the market by a barrier, such as a rope or fence. The winegrower may not pour more than three ounces of wine per person per day. Supporters of this change argued that instructional tasting helped winegrowers promote and educate consumers about their products in a setting where they were already authorized to sell their product.

This bill makes various changes to this provision in law. Specifically, this bill removes the requirement that wine sold at a CFM must be made only from grapes or agricultural products by the winery. Additionally, this bill increases the number of licensees allowed to conduct an instructional tasting at a CFM to three. Current law prohibits more than one licensed winegrower from conducting a tasting at a given CFM. As of March 2026, there were approximately 165 active CFM sales permits.

*Responsible Beverage Service Training.* AB 1221 (Gonzalez, Chapter 847, Statutes of 2017) created the RBS Training Program Act with the intention of reducing alcohol-related harm to local communities. The bill required the Department of ABC to create the RBS Training Program to ensure on-premises servers of alcoholic beverages and their managers are educated on the dangers of serving alcohol to minors and over-serving patrons.

Anyone that is employed at an ABC on-premises licensed establishment who is responsible for checking identifications, taking customer orders, and pouring or delivering alcoholic beverages must have a valid RBS certification from the Department of ABC. Servers and their managers must register in the RBS Portal, take RBS training from an approved training provider, and pass the department's RBS exam within 60 days of their first date of employment. Courses are typically offered online, in multiple languages, and cover topics like how alcohol affects the body, state laws and liability, checking IDs and spotting fake IDs, and techniques to prevent service to minors or intoxicated customers. RBS certification is valid for three years.

This bill simply clarifies that instructional tastings under a CFM sales permit, are subject to RBS requirements.

### **Related/Prior Legislation**

AB 774 (Levine, Chapter 107, Statutes of 2015) authorizes a licensed beer manufacturer that holds a CFM beer sales permit to provide limited instructional tastings for consumers at a CFM, under specific conditions.

AB 2004 (Chesbro, Chapter 806, Statutes of 2014), among other things, authorized a licensed beer manufacturer to apply to the Department of ABC for a “certified farmers’ market beer sales permit” for the purpose of allowing the licensee to sell packaged beer at a farmers’ market, including any area outside the footprint of the farmers’ market, under specified conditions.

AB 2488 (Levine, Chapter 98, Statutes of 2014) expanded an existing privilege in the ABC Act relating to the sale of wine by a licensed winegrower at certified farmers’ markets to also allow a licensed winegrower the privilege of conducting limited wine tastings for consumers at farmers’ markets under certain circumstances.

SB 1336 (Wiggins, 2010) would have removed the limitation on the amount of wine that can be sold pursuant to a CFM sale permit. (Never Heard in the Senate Governmental Organization Committee)

AB 2520 (Thomson, Chapter 384, Statutes of 2000) authorizes the Department of ABC to issue a permit allowing winegrowers to sell wine at a CFM, as specified. The bill prohibited the licensee from selling more than 5,000 gallons of wine per year at a CFM.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, staff notes that the Department of ABC’s activities are funded by regulatory and license fees and generally the department does not receive support from the General Fund. New legislative mandates, although modest in scope, may in totality create new cost pressures and impact the department’s operating costs and future budget requests.

**SUPPORT:** (Verified 4/13/26)

California Association of Winegrape Growers (Co-source)

Family Winemakers of California (Co-Source)  
Weiler Vineyards

**OPPOSITION:** (Verified 4/13/26)

None received

**ARGUMENTS IN SUPPORT:** According to the Family Winemaker's of California, "California's wine industry continues to struggle amid dozens of local, global, and industry challenges that threaten growers and wineries alike. Last year marked the lightest California wine harvest in 20 years, down 23% from the year prior, leaving many vineyards abandoned and unpicked, with growers shouldering the cost of unsold fruit. Family-owned wineries, in particular, are finding it increasingly difficult to sell their products, leading to closures across the state. Expanding opportunities for winemakers to reach consumers is essential to support both producers and grape growers as demand declines."

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4/14/26 16:16:10

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