

Date of Hearing: June 24, 2026

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION
Blanca Rubio, Chair
SB 917 (Laird) – As Amended March 25, 2026

SENATE VOTE: 37-0

SUBJECT: Alcoholic beverages: certified farmers' market sales permit

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

EXISTING LAW:

- 1) Establishes the Department of Alcoholic Beverage Control (ABC) and grants it exclusive authority to administer the provisions of the 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 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 ABC on an annual basis.
- 8) Establishes the Responsible Beverage Service (RBS) Training Program that requires 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 ABC.

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 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.”

Background.

Tied-House Laws/Three-Tier System. Existing law, known as the “tied-house” law or “three-tier” system, separates the alcoholic beverage industry into three component parts: manufacturer/supplier (the first tier), wholesaler (the second tier), and retailer (the third tier). The original policy rationale for this body of law was to: (1) promote the state’s interest in an orderly market; (2) prohibit the vertical integration and dominance by a single producer in the marketplace; (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.

Winegrower license. The Act defines a “winegrower” as “any person who has facilities and equipment for the conversion of grapes, berries, or other fruit into wine and is engaged in the production of wine. The applicable ABC license for these wine businesses is the Type “02 Winery License”. The license is applicable for “winegrowers” (licensed after September 17, 1965). Additionally, the 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.” The license authorizes the sale of all wines and brandies, regardless of source, to consumers for consumption on the premises in a bona fide eating place that is located on the licensed premises or on premises owned by the licensee that are contiguous to the licensed premises and operated by and for the licensee.

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, Statutes of 2000), authorizing ABC to issue a Certified Farmers' Market (CFM) sales permit. This permit allows a winegrower (Type 02) to sell wine produced and bottled entirely by the winegrower from grapes grown by the winegrower at a CFM. The bill limited sales to no more than 5,000 gallons of wine per year at CFMs and required winegrowers to report their annual CFM wine sales to ABC.

In 2014, this privilege was expanded through AB 2488 (Levine, Statutes of 2014), which authorized licensed winegrowers to conduct limited instructional wine tastings for consumers at CFMs. Under this law, a winegrower holding a CFM sales permit may offer instructional tastings if the tasting area is clearly separated from the rest of the market by a barrier, such as a rope, chain, cord, or fence. The winegrower may pour no more than three ounces of wine per person per day. Only one licensee may conduct an instructional tasting event at any given certified farmers' market at a time. The licensee shall not permit any consumer to leave the instructional tasting area with an open container of wine. Supporters argued that instructional tastings help winegrowers educate consumers and promote their products in a setting where they are already permitted to sell wine.

SB 917 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.

What is the RBS Training Program? AB 1221 (Gonzalez Fletcher, Statutes of 2017) created the Responsible Beverage Service Training Program Act with the intention of reducing alcohol-related harm to local communities. The bill required 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. Approximately 56,000 ABC licensees have on-premises alcohol sales privileges, which means alcohol can be consumed on site. On-premises locations include, but are not limited to, bars, restaurants, tasting rooms, clubs, stadiums, movie theaters, hotels, and caterers. RBS server certifications are valid for three years.

In support. According to the Family Winemakers 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 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."

In opposition. Alcohol Justice writes, "this bill would both increase the overall costs from alcohol-related health concerns and the dismissal of overall risk. By tripling the number of licensees serving alcohol, the bill triples the known costs per drink accruing to the state at these markets. Some of the risks associated with this bill include expanding alcohol consumption in an environment that potentially has many children and youth in attendance [and] in an area that is, by definition, a destination, to which people will be driving."

Related legislation. AB 1585 (Connolly) of 2026. This bill would provide for wine bottled on or after July 1, 2027, would prohibit the use of the appellation "American" or "United States" on wine produced, bottled, labeled, offered for sale, or sold in California unless 100% of the wine is derived from grapes or agricultural products grown in the United States, as specified. (Senate Committee on Governmental Organization)

Prior legislation. AB 720 (Rogers), Chapter 562, Statutes of 2025. Among various provisions, established an estate tasting event permit that may be issued by ABC to a licensed winegrower that allows sales and consumption of wine at qualifying events, as specified.

AB 2174 (Aguilar-Curry), Chapter 308, Statutes of 2024. Authorized a licensed beer manufacturer to apply for, and ABC to issue, a beer caterer's permit, which would allow the licensed beer manufacturer to sell beer manufactured by the licensee at specified locations and events, as specified.

AB 2177 (McKinnor), Chapter 61, Statutes of 2024. Authorized a winegrower to sell spirits of wine to a licensee authorized to manufacture or rectify distilled spirits. The bill also modified what it means to "produce" distilled spirits to reference spirits of wine produced by a winegrower.

SB 788 (Ashby), Chapter 114, Statutes of 2023. Removed the requirement that a beer manufacturer must annually produce at least 60,000 barrels of beer in order to manufacture cider or perry under their beer manufacturers license.

AB 1704 (Santiago), Chapter 375, Statutes of 2023. Allowed winegrowers to sell spirits of wine to a Type 4 license holder (distilled spirits manufacturer), as specified.

AB 239 (Villapudua), Chapter 192, Statutes of 2021. Allowed a licensed winegrower to sell or deliver wine in containers supplied, furnished, or sold by the customer at the winegrower's offsite tasting room.

SB 19 (Glazer), Chapter 274, Statutes of 2021. Authorized a licensed winegrower or brandy manufacturer to operate two off-site tasting rooms under its existing winegrower license.

AB 2488 (Levine), Chapter 98, Statutes of 2014. Expanded an existing provision of the Act which allowed a licensed winegrower, under specified conditions, to sell estate grown wine at certified farmers' markets (CFMs) to also grant the licensed winegrower the privilege of conducting limited wine tastings for consumers at CFMs under certain circumstances.

AB 2293 (De Leon) Chapter 638, Statutes of 2008. Permitted distilled spirits manufacturers and winegrowers to provide their product offerings directly to consumers (free of charge) during invitation-only events on premises for which a caterer's permit authorization has been issued.

SB 1548 (Murray) Chapter 670, Statutes of 2006. Authorized beer manufacturers and wholesalers to offer beer samples (not to exceed 8 ounces per person, per day) to individuals of legal drinking age at on-sale retail licensed premises under specified conditions.

AB 2285 (V. Brown) Chapter 248, Statutes of 1998. Allowed on-sale retail licensees to offer limited tastings of wine or distilled spirits at the licensed establishment.

AB 2520 (Thomson), Chapter 384, Statutes of 2000. Allowed wine to be sold by the bottle at CFMs. Specifically, the law permits a licensed winegrower to sell estate grown wine (no more than 5,000 gallons annually) to adult consumers at a CFM provided the winegrower obtains the proper sales permit (Type 79 license) from ABC.

REGISTERED SUPPORT / OPPOSITION:

Support

Family Winemakers of California

Opposition

Alcohol Justice

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