

September 2022 Legal & Legislative Update

FEDERAL / NATIONAL / INTERNATIONAL

For more information on federal issues of importance to brewers, please link to BA's [Federal Affairs Updates](#).

THE STATES

California

Before the Governor for action, [Assembly Bill 2307](#) increases the limit, from six to eight, of authorized branch office locations for a licensed beer manufacturer and increases the corresponding limit, from two to four, on these branch locations being bona fide eating places owned and operated by the beer manufacturer. A beer manufacturer cannot receive its last two duplicate branch office licenses until the manufacturer has held its sixth duplicate branch license for at least one year. This bill also repeals the requirement that a branch office location only sell beer and wine purchased from a licensed wholesaler that is not owned by the beer manufacturer and increases the number of locations to eight at which a beer manufacturer may exercise retail privileges, provided that no more than six of the locations may be on-sale licenses.

Passed by the legislature and sent to the Governor, [A.B. 2971](#), among a number of provisions, extends the current tied-house exception, until January 1, 2026, which authorizes a beer manufacturer to give, free of charge, up to five cases of retail advertising glassware to an on-sale retail licensee, per licensed location, each calendar year, and authorizes an on-sale retail licensee to accept, free of charge, up to 10 cases of retail advertising glassware, per licensed location, from licensed beer manufacturers each calendar year, subject to specified conditions.

Agreed to by both chambers of the legislature, [A.B. 920](#) authorizes (until January 1, 2024) a licensed craft distiller to directly ship distilled spirits manufactured or produced by the licensee at its premises to a consumer pursuant to certain requirements.

Signed by the Governor, [Assembly Bill 1734](#) allows the holder of a beer manufacturer's license and a winegrower's license that holds both of those licenses for a single premises to have alcoholic beverages that are authorized under those licenses at the same time anywhere within the premises, and to maintain a designated area where retail sales and consumption authorized under those licenses can occur, subject to specified conditions.

Sent to the Governor for consideration, [A.B. 2301](#) authorizes an on-sale retailer that is also a beer manufacturer to purchase alcoholic beverages from the licensed beer manufacturer, if the premises of production is located within five miles of the licensed on-sale premises.

On the Governor's desk, [S.B. 298](#) authorizes any person that has a brewpub-restaurant license to exchange that license for a bona fide public eating place license subject to the approval of the Department of Alcoholic Beverage Control (ABC).