

Understanding AB 776 (Cooper)

Expansion of Brewery Premises for Events.

AB 776 (Cooper) was sponsored by the California Craft Brewers Association and signed by the Governor in October, 2016. The new law allows breweries to apply to the ABC for a temporary expansion of their permitted brewery premises for special events.

All provisions of this bill went into effect January 1st 2016

Beer manufacturers can apply for a permit from the ABC which authorizes the sale of beer produced by the beer manufacturer for consumption on property contiguous and adjacent to the licensed premises owned or under the control of the licensee.

This bill will enable breweries to hold special anniversary celebrations, new release parties, or other special events where the expected crowd could not be accommodated in the public areas of the brewery.

Please read over the following requirements of AB 776 to understand the process of applying for the temporary event permit.

Summary:

Allows a licensed beer manufacturer to apply to the Department of Alcoholic Beverage Control (ABC) for a brewery event permit that grants the licensee the privilege of selling beer **it produces** for consumption on property contiguous and adjacent to its licensed premises for special events **(up to four such events in a calendar year)**. The new law takes effect January 1st, 2016

Provisions:

The bill also imposes the following conditions on the beer manufacturer:

- Limits the number of events authorized by a brewery event permit to **no more than four in any calendar year**.
- Stipulates that the fee for a brewery event permit issued during the 2016 calendar year shall be \$110, and for a permit issued during the years thereafter, the annual fee shall be calculated, as specified. The permit may be renewed annually at the same time as the licensee's license and shall be transferable as a part of the license.
- Specifies that for each brewery event, the licensee must obtain consent for the sale of beer from ABC in the form of an event authorization issued by the department. Also, provides that an event authorization shall be subject to approval by the appropriate local law enforcement agency and limits the fee for each event authorization to no more than \$25.
- Makes it explicit that at all approved events, the licensee **may exercise only those privileges authorized by the licensee's license** and requires the licensee to comply with all provisions of the Act pertaining to the conduct of on-sale premises.
- Does not allow beer manufacturers' who also operate a bona fide eating establishment to sell or serve other beer or wine on the extended premises. Per the statute, only beer produced by or for the beer manufacturer may be served under the type 77 permit.