



2021 California Legislative Highlights October 2021

Alcohol Policy

AB 61 (Gabriel) – Alcohol Beverage Pandemic Relief: This bill allows ABC licensees to continue utilizing expanded outdoor space provided under an ABC approved COVID-19 Temporary Catering Authorization for 365 days following the end of the COVID-19 state of emergency, or until July 1, 2024, whichever occurs first. The bill is sponsored by the California Restaurant Association. **Signed by the Governor.**

AB 239 (Villapudua and Rivas) – Refillable Wine Containers at Duplicate Premises: This bill allows wine containers to be refilled at a Duplicate-02 premise. Prior to the passage of this measure, containers could only be refilled at the Master-02 premise (i.e., winery). The bill was sponsored by the Monterey County Vintners & Growers Association. Wine Institute supported the bill. **Signed by the Governor.**

AB 1070 (Cooper) – Alcohol Beverage Advertising Umbrellas: This bill would have allowed distilled spirits manufacturers and other distilled spirits supplier license types to provide an alcohol beverage retail licensee with up to 12 advertising umbrellas per licensed location per year. Diageo sponsored the bill. **Vetoed by the Governor.**

AB 1149 (Villapudua) – Single-Serve Wine and Distilled Spirits Containers: This bill allows a distributor of single-serve distilled spirits and wine to remove the distributor's own products from an off-sale retailer storeroom for the purpose of restocking shelves. This bill is sponsored by California Beer and Beverage Distributors and is intended to align the privileges for single-serve wine and distilled spirits with the existing privileges for beer. **Signed by the Governor.**

AB 1267 (Cunningham) – Charitable Promotions and Sales: This bill authorizes an alcohol beverage licensee to advertise or promote a donation to a nonprofit charitable organization in connection with the sale of an alcohol beverage. Wine Institute supported the bill. **Signed by the Governor.**

AB 1330 (Frazier) – Alcohol Deliveries: This bill would have prohibited all alcohol licensees from delivering an order to a consumer received by telephone or other electronic means unless the delivery driver is 21 or older, the age of the recipient is verified to be 21 or older, the recipient is not intoxicated, the licensee is identified on the receipt as the merchant, the recipient takes physical possession at a physical address, the order is pre-paid, and delivery takes place 60 minutes after the licensee is required to end sales. Due to concern over how this will impact wine DTC shipments, Wine Institute worked with the author to include an exemption for the specific wine DTC code section if the bill moves forward next year. **Failed Passage in the Legislature.**

SB 19 (Glazer) – Additional Tasting Rooms: This bill allows wineries to have three tasting rooms — one at the production facility and two offsite at duplicate premises. Wineries will need to pay a one-time \$440 application fee for the additional facility. Wine Institute supported the bill. **Signed by the Governor.**

SB 314 (Wiener) Bar and Restaurant Recovery Act: An urgency measure that went into immediate effect upon signature by the Governor, this bill authorizes ABC to, for 365 days from the date the COVID-19 state of emergency is lifted, allow licensees to continue to exercise license privileges in an expanded licensed area authorized pursuant to a COVID-19 temporary catering permit. In addition, the bill would allow a licensed manufacturer to share a common licensed area with multiple licensed retailers, in specified instances and with certain restrictions. Finally, this bill increases the number of times, from 24 to 36 in a calendar year, that the Department of ABC can issue a caterer's permit for use at any one location. **Signed by the Governor.**

SB 386 (Umbert) – Tied-House Exception: This bill creates a tied-house exception to allow alcohol manufacturers to sponsor events and purchase advertising with on-premise retailers in a mixed-use district in Orange County (ocV!BE). **Signed by the Governor.**

SB 389 (Dodd) – Cocktails To-Go: This bill, sponsored by DISCUS, allows on-sale retailers to sell cocktails and single-serve wine in non-manufacturer sealed containers for pickup by the customer. Amendments were taken at our request to make clear that nothing in the bill will impact DTC wine shipments and the delivery of manufacturer sealed containers by an on-sale retail licensee. **Signed by the Governor.**

SB 620 (Allen) – Distilled Spirits and Beer Direct to Consumer: This bill would have allowed certain distilled spirits manufacturers and brewers to deliver product directly to a California resident with certain restrictions. The bill was sponsored by DISCUS. **Failed Passage in the Legislature.**

Employment Policy

AB 73 (Rivas) – Agriculture Worker Safety Wildfire Smoke: This bill expands the definition of essential workers to include agricultural workers for the purpose of accessing the personal protective equipment (PPE) stockpile for emergencies established by the State Department of Public Health and the Office of Emergency Services. The bill also directs the Division of Occupational Safety and Health (Cal/OSHA) to review and update the content of wildfire smoke training in existing regulations and requires training provided by employers to be in a language and manner readily understandable by employees. Wine Institute supported this bill. **Signed by the Governor.**

AB 364 (Rodriguez) – Foreign Labor Contractor Registration: This bill would have included farm labor contractors and employers of H-2A farmworkers in the Labor Commissioner's (LC) foreign labor contractor registration program and required adherence to certain standards. **Failed Passage in the Legislature.**

AB 616 (Stone) – Agricultural Employee Card Check: This bill would have created an alternative election procedure for agriculture unionization efforts, by eliminating the secret ballot voting procedure in current law and authorizing union representation through a card check election. Wine Institute opposed this bill. **Vetoed by the Governor.**

AB 701 (Gonzalez) – Warehouse Distribution Centers: This bill requires an employer with 100 or more nonexempt employees at a single warehouse or 1000 or more nonexempt employees at warehouses around the state to provide each employee, as specified, with a written description of each quota to which the employee is subject and any potential adverse employment action that may result from failure to meet the quota. **Signed by the Governor.**

AB 857 (Kalra) – H2A Workers Required Disclosures: This bill would have required agricultural employers to make certain disclosures to H2A workers about wages, benefits, and other rights, and would have codified the circumstances when H-2A farm workers must be paid at their regular rate of pay for time spent traveling to work. A group of agricultural interests were opposed. **Failed passage in the legislature.**

AB 995 (Lorena Gonzalez) – Paid Sick Days: Accrual: This bill would have expanded California’s employer provided paid sick leave by mandating that an employer provide no less than 40 hours of accrued sick leave or paid time off to an employee by the 200th calendar day of employment or each calendar year. Wine Institute opposed the bill. **Failed passage in the legislature.**

AB 1003 (Gonzalez) – Wage Theft: This bill makes the intentional deprivation of wages by unlawful means, with the knowledge that the wages, gratuities, benefits, or other compensation is due to the employee under the law, punishable as Grand Theft under certain circumstances. **Signed by the Governor.**

AB 1041 (Wicks) – Family Leave: This bill would have added a “designated person” to the list of individuals for whom an employee may take leave to care for under the California Family Rights Act (CFRA) and the Healthy Workplaces, Healthy Families Act of 2014 (Paid Sick Days). The bill was opposed by a large California Chamber of Commerce led coalition. **Failed passage in the legislature.**

AB 1256 (Quirk) – Employment Discrimination Cannabis Screening: This bill would have prohibited an employer from discriminating against a person in hiring, termination, or any term or condition of employment because a drug screening test has found the person to have tetrahydrocannabinol (THC) in their urine but provided certain exceptions. **Failed passage in the legislature.**

SB 331 (Leyva) – Non-Disclosure Agreements and Severance Agreements: This bill prohibits the use of non-disclosure agreements (NDAs) to settle employment and housing-related legal claims involving unlawful harassment, discrimination, or related retaliation of any kind, with limited exceptions when requested by the complainant. This bill also prohibits the inclusion, in an employment severance agreement, of terms that prohibit the separated employee from discussing unlawful conduct at their former workplace, unless the separated employee agrees to those terms under specified conditions designed to safeguard the separated employee’s rights. **Signed by the Governor.**

SB 410 (Leyva) – Elimination of Impact Analysis for Cal/OSHA: This bill would have exempted any occupational safety and health standard and order from the standardized regulatory impact analysis requirement for proposed major regulations, defined as having an economic impact of \$50 million or more. Wine Institute opposed the bill. **Failed passage in the legislature.**

SB 606 (Gonzalez) – Workplace Safety Violations: This bill establishes a rebuttable presumption that an employer’s written policy that violates specified health and safety regulations exists at all of an employer’s worksites and adds a definition of “egregious violation” that carries specified additional penalties. **Signed by the Governor.**

Environmental Policy

AB 284 (Rivas) – Climate Goal for Agriculture: This bill would have required the California Air Resources Board to identify a 2045 climate goal, with interim milestones, for the state’s natural and working lands

to sequester carbon and reduce atmospheric greenhouse gas emissions. **Failed passage in the legislature.**

AB 315 (Stone) – Stream Restoration Property Owner Liability and Indemnification: This bill provides indemnity and limited liability protections for property owners who voluntarily permit a government-funded streambed restoration project to take place on their property. **Signed by the Governor.**

AB 332 (Environmental Safety and Toxic Materials Committee) – Treated Wood Waste: This bill authorizes treated wood waste (TWW) to be managed under alternative management standards (AMS) instead of as a hazardous waste. **Signed by the Governor.**

AB 350 (Villapudua) – Grant Program for Groundwater Conservation Planning: This bill would have required the California Department of Food and Agriculture (CDFA), upon appropriation of funds by the Legislature, to establish and administer a three-year grant program to fund technical assistance to support landowners located in a critically over-drafted basin, as defined, in reaching water use reduction goals established pursuant to the Sustainable Groundwater Management Act (SGMA). **Failed passage in the legislature.**

AB 377 (Robert Rivas) - Water Quality: This bill would have prohibited state and regional water boards from allowing any waste discharge that contributes or causes an exceedance of water quality standards. The bill would have additionally prohibited an implementation plan for achieving water quality standards after January 1, 2030. This bill was sponsored by the Coastkeeper’s Alliance and was strongly opposed by agricultural and manufacturing entities for usurping the discretion of state and regional water boards. Wine Institute opposed the bill. **Failed passage in the legislature.**

AB 564 (Gonzalez) - Biodiversity Protection and Restoration Act: This bill would have established the Biodiversity Protection and Restoration Act and would have provided that it is the policy of the state that all state agencies, boards, and commissions shall utilize their authorities in furtherance of the biodiversity conservation purposes and goals. AB 564 would have presumably prohibited Department of Fish and Wildlife (DFW) from issuing any incidental take permits, amongst other things. **Failed passage in the legislature.**

AB 426 (Bauer-Kahan) – Air Emissions: This bill would have specified the authority of air districts to adopt and implement regulations to require indirect and area wide sources to provide data on vehicular traffic drawn by these sources. Furthermore, the bill specifies the authority of air districts to reduce and mitigate these sources of air pollution. **Failed passage in the legislature.**

AB 1001 (Cristina Garcia) – Environmental Permitting and Air Pollution: This bill would have expanded requirements for stationary sources of air pollution to install best available retrofit technology (BARCT) and best available control technology (BACT) in areas that are not meeting federal air quality standards. **Failed passage in the legislature.**

AB 1395 (Muratsuchi) - Greenhouse Gas Emissions and Carbon Neutrality: This bill would have declared it is the policy of the state to achieve carbon neutrality no later than 2045, and to achieve and maintain net negative greenhouse gas emissions thereafter. The bill was opposed by a large coalition of business interests. **Failed passage in the legislature.**

SB 260 (Weiner) - Climate Corporate Accountability Act: This bill would have required the California Air Resource Board (CARB) to adopt regulations by 2023 requiring all public and privately held companies doing business in California with annual revenues in excess of \$1 billion to analyze, compile, have independently verified by third-party auditors, and publicly disclose all greenhouse gas emissions on a yearly basis. **Failed passage in the legislature.**

SB 27 (Skinner) – Natural and Working Lands Carbon Sequestration Projects: This bill creates the California Carbon Sequestration and Climate Resilience Project Registry to maintain a list of eligible but unfunded projects to mitigate California’s greenhouse gas (GHG) emissions and improve climate resilience. **Signed by the Governor.**

Recycling and Single-Use Packaging

AB 478 (Ting) – Thermoform Plastic Containers Recycled Content: This bill would have established minimum recycled content requirements for thermoform plastic containers. **Failed passage in the legislature.**

SB 38 (Wieckowski) – Bottle Bill Stewardship Program: This bill would have required distributors of beverage containers in the state to form a beverage container stewardship organization and take over operation of the Bottle Bill program. **Failed passage in the legislature.**

SB 343 (Allen) – Recycling Symbol: This bill tightens the requirements around the permissible use of the “chasing arrows” recycling symbol and when claims regarding recyclability can be made and requires the Department of Resources Recycling and Recovery (CalRecycle) to publish the types and forms of recyclable products and packaging. **Signed by the Governor.**

Tax Policy

AB 71 (Luz Rivas) – Homeless Program Funding: This bill as introduced would have imposed several significant tax increases on California businesses and individuals to fund homelessness programs. **Failed passage in the legislature.**

AB 80 (Burke) – PPP Loans: State Tax Deduction: This bill conforms, with certain modifications, state law to federal law with respect to the tax treatment of Paycheck Protection Program (PPP) loans and Economic Injury Disaster Loan (EIDL) advance grants under the Coronavirus Aid, Relief, and Economic Security (CARES) Act and the Consolidated Appropriations Act of 2021. **Signed by the Governor.**

SB 539 (Hertzberg) – Property Taxation: Intergenerational Transfers of Real Property: This bill enacts implementing provisions of Proposition 19 (2020). Specifically, the bill, 1) provides statutory detail for taxpayers to claim base year value transfers under Proposition 19, and 2) implements Proposition 19’s limitations on parent-child/grandparent-grandchild change in ownership exclusions. **Signed by the Governor.**

SB 792 (Glazer) – Sales and Use Tax: Retailer Reporting: SB 792 would have required specified retailers, with respect to online sales, to track and report to the California Department of Tax and Fee Administration the city or ZIP code where the purchaser resides. **Vetoed by the Governor.**

Wildfire

AB 642 (Friedman) - Wildfires: This bill enacts numerous provisions intended to increase the use of prescribed burning, including the creation of a prescribed burning training center Wine Institute supported this bill. **Signed by the Governor.**

SB 332 (Dodd) – Prescribed Burn Liability: This bill releases from liability for the cost of fire suppression, unless conducted in a grossly negligent manner, a certified burn boss and a private landowner who performs, supervises, or oversees a prescribed burn. Wine Institute supported this bill. **Signed by the Governor.**

Advertising

AB 390 (Berman) – Automatic Renewal and Continuous Service Offers: This bill would require a business that makes an automatic renewal or continuous service offer (wine club membership) to a consumer to provide the consumer with notice before the expiration of a free gift or trial, or temporary or promotional price, included with the offer, and requires these businesses to streamline the cancellation process in accordance with specified criteria. **Signed by the Governor.**

Budget

The state budget ultimately included \$15 billion in funds to address climate change and climate resilience. The package includes investments to support immediate drought response and long-term water resilience, reduce the risk of catastrophic wildfires and increase climate smart practices on farms. For this budget year, funding includes \$1.5 billion in funds to reduce catastrophic wildfires, \$50 million for the State Water Efficiency and Enhancement Program (SWEEP), \$180 million for Sustainable Groundwater Management Act implementation, \$75 million for the Healthy Soils Program, \$213 million for on-farm diesel engine replacement and \$15 million for pollinator habitat.