



FACT SHEET
AB 376 (O'Donnell)
Arts & Crafts Workshop

SUMMARY

AB 376 would allow limited complimentary service of wine or beer at an arts and crafts workshop if certain requirements are met.

BACKGROUND

In California, it is unlawful for businesses to sell, keep, or serve any alcoholic beverage unless licensed or permitted by law. Some businesses can hold events that provide complimentary alcoholic beverages to guests without a license or permit if the event is private, the business is providing all the alcohol and there is no admission cost to enter or participate in the event. However, this broad exception to California's alcohol licensing laws for private events is not sufficient to cover certain business models.

Since 1985, the Legislature has enacted several exceptions to alcohol license requirements to allow certain businesses to provide complimentary alcoholic beverages to customers and guests without first acquiring a license. Limousines, barbershops, and beauty salons are among the businesses allowed to provide limited amounts of complementary alcohol as part of their services. This has given these businesses more tools to attract and satisfy customers.

NEED FOR THE BILL

Small arts and crafts businesses throughout the state have gained popularity in recent years by offering consumers the opportunity to make paintings, pottery, or other crafts as a shared experience with fellow patrons and guests. As part of that experience, some businesses will try to provide complimentary alcohol at their events. However, these businesses have only a few imperfect options if they want to offer complementary alcohol to their patrons.

Businesses that try to obtain a liquor license face a costly and time-consuming process that is often not worth the expense. While many businesses simply abandon the idea, others have tried operating in the margins of the law or simply break it and hoping they are not caught. This leads to an environment where businesses following the law are at a competitive disadvantage to businesses that subvert the law.

SOLUTION

In a post-pandemic retail environment, allowing small arts and crafts businesses the ability to provide limited complimentary service of wine or beer will help these small businesses succeed. Creating unique in-store experiences could be a key driving factor to their success in the post pandemic era



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In order to allow small businesses to compete on the same level playing field and achieve success in a post-pandemic economy, they must be allowed to provide the experiences customers want. AB 376 would allow arts and craft businesses to provide a limited amount of complimentary alcohol during workshops at no extra charge and give businesses a legal path to offer this unique experience for their patrons.

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