## County of Placer Board of Supervisors

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March 21, 2023

The Honorable Joe Patterson California State Assembly 1021 O St, Ste., 4530 Sacramento, CA 95814

RE: AB 1668 - Alcoholic Beverages: licenses: County of Placer - SUPPORT

Dear Assembly Member Patterson:

On behalf of the Placer County Board of Supervisors, I am writing in support of AB 1668 (Patterson), which will allow a limited increase in type 47 alcohol and beverage licenses in Placer County.

The Alcoholic Beverage Control Act, administered by the Department of Alcoholic Beverage Control (ABC), regulates the sale and distribution of alcoholic beverages and the granting of licenses for the manufacture, distribution, and sale of alcoholic beverages within the state. Existing law limits the amount of on-sale general licenses that may be issued by the department based on the population of the county in which the licensed premises are located.

As of October 2022, Placer County was over its allocated active on-sale general licenses (Type 47 and Type 48) based on the population, thus ABC has not granted new licenses to businesses seeking them in years. This shortage has effectively created a secondary market at which these alcohol licenses are bought and sold – most, if not all the time, at a very high premium. Due to the cost of these licenses, many small businesses do not have the capital necessary to purchase a license for their establishment which can impact the business' ability to succeed.

Type 47 licenses authorize the sale of beer, wine, and distilled spirits at eating places. AB 1668 would create 10 new additional Type 47 licenses in Placer County, for which no more than 4 can be issued per year. Among other things, the bill would prohibit transferring the new licenses out of the county or to a premises that does not qualify under these provisions. The bill would also prohibit selling or transferring the new licenses for a price greater than the original fee paid by the seller or transferor.

For these reasons, we strongly support your AB 1668. If you need additional information about our position, please contact Joel Joyce, Legislative & Governmental Affairs Coordinator at (530) 889-4026 or at <a href="mailto:jijoyce@placer.ca.gov">jijoyce@placer.ca.gov</a>.

Sincerely,

COUNTY OF PLACER

Jim Holmes, Chair

Placer County Board of Supervisors

cc: Placer County Board of Supervisors

Members of the California Assembly Governmental Organization

Placer County State Elected Delegation

SYASL