

**BEFORE THE ALCOHOLIC BEVERAGE CONTROL APPEALS BOARD  
OF THE STATE OF CALIFORNIA**

**AB-9275**

File: 20-315830 Reg: 11074180

CHEVRON STATIONS, INC., dba Chevron  
3355 East Hammer Lane, Stockton, CA 95212,  
Appellant/Licensee

v.

DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL,  
Respondent

Administrative Law Judge at the Dept. Hearing: Sonny Lo

Appeals Board Hearing: April 4, 2013  
Sacramento, CA

**ISSUED MAY 20, 2013**

Chevron Stations, Inc., doing business as Chevron (appellant), appeals from a decision of the Department of Alcoholic Beverage Control<sup>1</sup> which suspended its license for 15 days, all stayed provided appellant completes one year of discipline-free operation, for its clerk selling an alcoholic beverage to a police minor decoy, a violation of Business and Professions Code section 25658, subdivision (a).

Appearances on appeal include appellant Chevron Stations, Inc., appearing through its counsel, Ralph Barat Saltsman and Autumn M. Renshaw, and the Department of Alcoholic Beverage Control, appearing through its counsel, Kelly Vent.

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<sup>1</sup>The decision of the Department, dated May 16, 2012, is set forth in the appendix.

## FACTS AND PROCEDURAL HISTORY

Appellant's off-sale beer and wine license was issued on September 17, 1999. On January 12, 2011, the Department filed an accusation charging that appellant's clerk sold an alcoholic beverage to 18-year-old Kayla Cole on August 23, 2010. Although not noted in the accusation, Cole was working as a minor decoy for the Department of Alcoholic Beverage Control at the time.

At the administrative hearing held on March 27, 2012, documentary evidence was received, and testimony concerning the sale was presented by Cole (the decoy). Appellant presented no witnesses.

Testimony established that on August 23, 2010, the decoy entered the licensed premises and selected a six-pack of Bud Light beer in bottles which she took to the counter. The clerk asked for her identification and she gave him her California driver's license. The clerk looked at it and then completed the sale without asking any age-related questions. The administrative law judge (ALJ) determined that the decoy's appearance complied with rule 141(b)(2).<sup>2</sup>

Subsequent to the hearing, the Department issued its decision which determined that the violation charged was proved and no defense was established.

Appellant filed a timely appeal contending that rule 141(b)(2) violates the due process clauses of the California and United States Constitutions and their prohibition of vague and over broad regulations.

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<sup>2</sup>References to rule 141 and its subdivisions are to section 141 of title 4 of the California Code of Regulations, and to the various subdivisions of that section.

## DISCUSSION

Appellant contends that rule 141(b)(2) violates both federal and state constitutional due process requirements by presenting a standard that is impossible for the ALJ to meet. Appellant asserts that the ALJ cannot determine compliance with rule 141(b)(2) without having observed the decoy at the time of the sale. (App.Br. at p. 3.) This issue was not raised at the administrative hearing.

It is settled law that the failure to raise an issue or assert a defense at the administrative hearing level bars its consideration when raised or asserted for the first time on appeal. (*Hooks v. California Personnel Board* (1980) 111 Cal.App.3d 572, 577 [168 Cal.Rptr. 822]; *Shea v. Board of Medical Examiners* (1978) 81 Cal.App.3d 564, 576 [146 Cal.Rptr. 653]; *Reimel v. House* (1968) 259 Cal.App.2d 511, 515 [66 Cal.Rptr. 434]; *Wilke & Holzheiser, Inc. v. Department of Alcoholic Beverage Control* (1966) 65 Cal.2d 349, 377 [55 Cal.Rptr. 23]; *Harris v. Alcoholic Beverage Control Appeals Board* (197 Cal.App.2d 1182, 187 [17 Cal.Rptr. 167].) This extends to constitutional issues, as “[i]t is the general rule applicable in civil cases that a constitutional question must be raised at the earliest opportunity or it will be considered as waived.” (*Jenner v. City Council of Covina* (1958) 164 Cal.App.2d 490, 498 [331 P.2d 176].) Since appellant did not raise this issue at the administrative hearing, this Board is entitled to consider it waived. (See 9 Witkin, Cal. Procedure (5th ed. 2008) Appeal, §400, p. 458.)

Even though the issue was waived in this matter, a full discussion of the Board’s position on challenges to the constitutionality of rule 141(b)(2) can be found by reading both *7-Eleven Inc.* (2013) AB-9248 and *Garfield Beach* (2013) AB-9258.

ORDER

The decision of the Department is affirmed.<sup>3</sup>

BAXTER RICE, CHAIRMAN  
FRED HIESTAND, MEMBER  
ALCOHOLIC BEVERAGE CONTROL  
APPEALS BOARD

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<sup>3</sup>This final order is filed in accordance with Business and Professions Code section 23088, and shall become effective 30 days following the date of the filing of this order as provided by section 23090.7 of said code.

Any party, before this final order becomes effective, may apply to the appropriate court of appeal, or the California Supreme Court, for a writ of review of this final order in accordance with Business and Professions Code section 23090 et seq.