## A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

## BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. Chapter 281, Hawaii Revised Statutes, is		
2	amended by adding a new section to be appropriately designated		
3	and to read as follows:		
4	" <u>§281-</u> <u>Direct shipment of wine by wineries.</u> (a) Any		
5	person holding:		
6	(1) A general excise tax license from the department of		
7	taxation; and		
8	(2) Either:		
9	(A) A class 1 license to manufacture wine under		
10	section 281-31; or		
11	(B) A license to manufacture wine issued by another		
12	state,		
13	may pay any applicable fees and obtain a direct wine shipper		
14	permit from the liquor commission of the county to which the		
15	wine will be shipped authorizing the holder to directly ship		
16	wine to persons in the county pursuant to this section.		
17	(b) The holder of a direct wine shipper permit may sell		
18	and annually ship to any person twenty-one years of age or older		
	HB1968 HD1 HMS 2006-2451		

1	in the co	unty that issued the permit, no more than nine-
2	liter cas	es of wine for personal use only and not for resale,
3	and shall	<u>:</u>
4	(1)	Ship wine directly to the person only in containers
5		that are conspicuously labeled with the words:
6		"CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS OF
7		OLDER REQUIRED FOR DELIVERY.";
8	(2)	Require that the carrier of the shipment obtain the
9		signature of any person twenty-one years of age or
10		older before delivering the shipment;
11	(3)	Report no later than January 31 of each year to the
12		liquor commission in each county where a direct wine
13		shipper permit is held, the total amount of wine
14		shipped to persons in the county during the preceding
15		<pre>calendar year;</pre>
16	(4)	Pay all applicable general excise and gallonage taxes.
17		For gallonage tax purposes, all wine sold under a
18		direct wine shipper permit shall be deemed to be wine
19		sold in the state; and
20	(5)	Be subject to audit by the liquor commission of each
21		county in which a permit is held.

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              The holder of a license to manufacture wine issued by
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    another state may annually renew a direct wine shipper permit by
    providing the liquor commission that issued the permit with a
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4
    copy of the license and paying any fees. The holder of a class
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    1 license to manufacture wine under section 281-31 may renew a
6
    direct wine shipper permit concurrently with the class 1 license
7
    by complying with all applicable laws and paying all required
8
    fees.
9
              The sale and shipment of wine directly to a person in
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    this state by a person that does not possess a valid direct wine
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    shipper permit is prohibited. Knowing violation of this law is
12
    a misdemeanor."
         SECTION 2. Section 281-33.1, Hawaii Revised Statutes, is
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    amended by amending subsection (i) to read as follows:
         "(i) An unlicensed adult person shall not be required to
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    obtain a permit under this section to receive shipments of
    liquor pursuant to section [<del>281-33.5.</del>] 281- ."
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         SECTION 3. Section 281-33.5, Hawaii Revised Statutes, is
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    repealed.
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         ["\$281-33.5 Reciprocal shipments of wine. Notwithstanding
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    any other law to the contrary, the holder of a license to
22
    manufacture wine in another state that affords holders of a
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- 1 class 1 license to manufacture wine under section 281-31 an
- 2 equal reciprocal shipping privilege, may ship for personal use
- 3 and not for resale not more than three cases of wine of its own
- 4 manufacture per year, with each case containing not more than
- 5 nine liters, to any resident twenty-one years of age or older.
- 6 Out-of-state wine manufacturers that are authorized to ship wine
- 7 under this section shall submit, to the appropriate liquor
- 8 commission, a shipping invoice for each delivery into this
- 9 State. Delivery of a shipment into this State under this
- 10 section shall not be deemed to constitute a sale in this
- 11 State."]
- 12 SECTION 4. The liquor commissions in each county shall
- 13 begin issuing direct wine shipper permits no later than January
- **14** 1, 2007.
- 15 SECTION 5. Statutory material to be repealed is bracketed
- 16 and stricken. New statutory material is underscored.
- 17 SECTION 6. This Act shall take effect on July 1, 2096.

HB 1968 HD1

## Report Title:

Direct Shipment of Wine

## Description:

Requires wine direct shippers to obtain a permit to ship wine to Hawaii residents. (HB1968 HD1)