#### A BILL FOR AN ACT

RELATING TO COUNTIES.

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

Article VIII, section 2 of the Hawaii 1 SECTION 1. 2 constitution states, in relevant part, that: 3 "Each political subdivision shall have the power to frame and adopt a charter for its own self-government 5 within such limits and under such procedures as may be provided by general law .... Charter provisions with respect to a political subdivision's executive, legislative and administrative structure and organization shall be 9 superior to statutory provisions, subject to the authority 10 of the legislature to enact general laws allocating and reallocating powers and functions." 11 12 The purpose of this Act is to allow the counties the 13 authority to determine appropriate appointment and removal 14 procedures for county liquor administrators pursuant to each 15 county's charter. The legislature finds that the grant of such 16 authority is within the purview of the counties' executive and 17 administrative structure and organization, and is therefore 18 supported by and consistent with the principle of county HB LRB 10-0822.doc 1 (2010) (1003) 1703; (1013) (1013) 180 (1014) 180 (1014) 183 (1014) 183 (1014) 183 (1014) 183 (1014) 183 (101

1	self-governance established in article VIII, section 2 of the
2	Hawaii constitution.
3	SECTION 2. Section 281-11.5, Hawaii Revised Statutes, is
4	amended to read as follows:
5	"§281-11.5 Liquor commission, liquor administrator, and
6	board attorney. (a) The liquor commission or liquor control
7	adjudication board may hire attorneys to assist it in carrying
8	out its administrative functions under this chapter. The
9	assistance may include providing legal advice and prosecuting
10	and defending legal claims under this chapter or arising in
11	connection with this chapter.
12	(b) Subject to chapter 76, a liquor administrator shall be
13	appointed and may be removed by the liquor commission or liquor
14	control adjudication board, or as prescribed by the charter of
15	each county. The administrator may also be appointed an
16	investigator, and shall be responsible for the operations and
17	activities of the staff. The administrator may:
18	(1) Hire and remove hearing officers, investigators, and
19	clerical and or other assistants as the liquor
20	commission's business may from time to time require,
21	to prescribe their duties, and fix their compensation;
22	and

1	(2)	Engage the services of experts and persons engaged in
2		the practice of a profession, if deemed expedient.
3		Every investigator, within the scope of the
4	•	investigator's duties, shall have the powers of a
5		police officer."
6	SECT	ION 3. Section 281-17, Hawaii Revised Statutes, is
7	amended b	y amending subsection (a) to read as follows:
8	"(a)	The liquor commission, within its own county, shall
9	have the	sole jurisdiction, power, authority, and discretion,
10	subject o	nly to this chapter:
. 11	(1)	To grant, refuse, suspend, and revoke any licenses for
12		the manufacture, importation, and sale of liquors;
13	(2)	To take appropriate action against a person who,
14		directly or indirectly, manufactures, sells, or
15		purchases any liquor without being authorized pursuant
16		to this chapter; provided that in counties which have
17		established by charter a liquor control adjudication
18		board, the board shall have the jurisdiction, power,
19	·	authority, and discretion to hear and determine
20		administrative complaints of the director regarding
21		violations of the liquor laws of the State or of the

1		rules of the liquor commission, and impose penalties
2		for violations thereof as may be provided by law;
3	(3)	To control, supervise, and regulate the manufacture,
4		importation, and sale of liquors by investigation,
5		enforcement, and education; provided that any
6		educational program shall be limited to the commission
7		staff, commissioners, liquor control adjudication
8		board members, licensees and their employees and shall
9		be financed through the money collected from the
10		assessment of fines against licensees; provided that
11		fine moneys, not to exceed ten per cent a year of
12		fines accumulated, may be used to fund public liquor
13		related educational or enforcement programs;
14	(4)	From time to time to make, amend, and repeal such
15		rules, not inconsistent with this chapter, as in the
16		judgment of the commission seem appropriate for
17		carrying out this chapter and for the efficient
18		administration thereof, and the proper conduct of the
19		business of all licensees, including every matter or
20		thing required to be done or which may be done with
21		the approval or consent or by order or under the
22		direction or supervision of or as prescribed by the

1		commission; which rules, when adopted as provided in .
2		chapter 91 shall have the force and effect of law;
3	[ <del>-(5)</del>	Subject to chapter 76, to appoint and remove an
4		administrator, who may also be appointed an
5		investigator and who shall be responsible for the
6		operations and activities of the staff. The
7		administrator may hire and remove hearing officers,
8		investigators, and clerical or other assistants as its
9		business may from time to time require, to prescribe
10		their duties, and fix their compensation; to engage
11		the services of experts and persons engaged in the
12		practice of a profession, if deemed expedient. Every
13		investigator, within the scope of the investigator's
14		duties, shall have the powers of a police officer;
15	<del>(6)</del> ]	(5) To limit the number of licenses of any class or
16		kind within the county, or the number of licenses of
17	•	any class or kind to do business in any given
18		locality, when in the judgment of the commission such
19		limitations are in the public interest;
20	[ <del>(7)</del> ]	(6) To prescribe the nature of the proof to be
21		furnished, the notices to be given, and the conditions
22		to be met or observed in case of the issuance of a

1		duplicate license in place of one alleged to have been
2		lost or destroyed, including a requirement of any
3		indemnity deemed appropriate to the case;
4	[ <del>(8)</del> ]	(7) To fix the hours between which licensed premises
5		of any class or classes may regularly be open for the
6		transaction of business, which shall be uniform
7		throughout the county as to each class respectively;
8	[ <del>(9)</del> ]	(8) To prescribe all forms to be used for the
9		purposes of this chapter not otherwise provided for in
10		this chapter, and the character and manner of keeping
11		of books, records, and accounts to be kept by
12		licensees in any matter pertaining to their business;
13	[ <del>(10)</del> ]	(9) To investigate violations of this chapter,
14		chapter 244D and, notwithstanding any law to the
15		contrary, violations of the applicable department of
16		health's allowable noise levels, through its
17		investigators or otherwise, to include covert
18		operations, and to report violations to the
19		prosecuting officer for prosecution and, where
20		appropriate, the director of taxation to hear and
21		determine complaints against any licensee;

1	[ <del>(11)</del> ]	(10) To prescribe, by rule, the terms, conditions,
2	÷	and circumstances under which persons or any class of
3	1	persons may be employed by holders of licenses;
4	[ <del>(12)</del> ]	(11) To prescribe, by rule, the term of any license
5	,	or solicitor's and representative's permit authorized
6	1	by this chapter, the annual or prorated amount, the
7	t	manner of payment of fees for the licenses and
8	1	permits, and the amount of filing fees; and
9	[ <del>-(13)</del> ]	(12) To prescribe, by rule, the circumstances and
10	1	penalty for the unauthorized manufacturing or selling
11		of any liquor."
12	SECTIO	ON 4. Statutory material to be repealed is bracketed
13	and strick	en. New statutory material is underscored.
14	SECTIO	ON 5. This Act shall take effect upon its approval.
15		INTRODUCED BY:  BY REQUEST
		DI KEQUEDI

HB LRB 10-0822.doc

JAN 1 9 2010

#### Report Title:

Intoxicating Liquor; Liquor Administrator

#### Description:

Extends the power to appoint county liquor administrators to the county liquor control adjudication boards.

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