S.B. NO. 2545 S.D. 2 H.D. 2 C.D. 1

# A BILL FOR AN ACT

RELATING TO INTOXICATING LIOUOR.

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

- SECTION 1. Section 281-4, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows: "(a) It shall be unlawful for any person who keeps or
- 5 beverages, or entertainment are provided[7] or brought in by

maintains any restaurant or other premises where food,

- 6 patrons or guests, whether for compensation or not; or to which
- 7 members of the public  $[-\tau]$  or members of an organization  $[-\tau]$  resort
- 8 for food, refreshment, or entertainment [7] and who is not a
- 9 licensee of the commission under this chapter, to promote,
- 10 encourage, aid, or permit the consumption of liquor on the
- 11 premises, except during the hours between [which licensed
- 12 premises of dispensers are permitted to be open for the
- 13 transaction of business in the county where the premises are
- 14 located. 6:00 a.m. and 12:00 a.m. Any premises that desires to
- operate after 12:00 a.m. until 2:00 a.m. shall obtain a class 17
- 16 liquor license under section 281-31(q), and shall be subject to
- 17 the requirements of this chapter and the rules adopted by the

- 1 liquor commission of the county in which the premises are
- 2 located during all hours of operation, except as otherwise
- 3 provided by law."
- 4 SECTION 2. Section 281-31, Hawaii Revised Statutes, is
- 5 amended to read as follows:
- 6 "\$281-31 Licenses, classes. (a) Licenses may be granted
- 7 by the liquor commission as provided in this section.
- 8 (b) Class 1. Manufacturer license. A license for the
- 9 manufacture of liquor shall authorize the licensee to
- 10 manufacture the liquor therein specified and to sell it at
- 11 wholesale in original packages to any person who holds a license
- 12 to resell it and to sell draught beer or wine manufactured from
- 13 grapes or other fruits grown in the State in any quantity to any
- 14 person for private use and consumption. Under this license, no
- 15 liquor shall be consumed on the premises except as authorized by
- 16 the commission. Of this class, there shall be the following
- 17 kinds:
- 18 (1) Beer;
- 19 (2) Wine;
- 20 (3) Alcohol; and
- 21 (4) Other specified liquor.

1	Ιt	shall	be	unlawful	for	any	holder	of	а	manufacturer
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- 2 license to have any interest whatsoever in the license or
- 3 licensed premises of any other licensee. This subsection shall
- 4 not prevent the holder of a manufacturer license under this
- 5 chapter or under the law of another jurisdiction from
- 6 maintaining any interest in the license or licensed premises of
- 7 a wholesale dealer licensee under this chapter.
- 8 (c) Class 2. Restaurant license.
- 9 (1) A license under this class shall authorize the
- 10 licensee to sell liquor specified in this subsection
- 11 for consumption on the premises; provided that a
- restaurant licensee, with commission approval, may
- provide off-premises catering of food and liquor;
- 14 provided further that the catering activity shall be
- 15 directly related to the licensee's operation as a
- 16 restaurant. A licensee under this class shall be
- issued a license according to the category of
- 18 establishment the licensee owns or operates. The
- 19 categories of establishment shall be as follows:
- 20 (A) A standard bar; or
- 21 (B) Premises in which live entertainment or recorded
- 22 music is provided. Facilities for dancing by the

1		patrons may be permitted as provided by
2		commission rules.
3	(2)	If a licensee under class 2 desires to change the
4	•	category of establishment the licensee owns or
5		operates, the licensee shall apply for a new license
6		applicable to the category of the licensee's
7		establishment.
8	(3)	Of this class, there shall be the following kinds:
9		(A) General (includes all liquor except alcohol);
10	·	(B) Beer and wine; and
11		(C) Beer.
12	Notwithst	anding section 281-57, the commission may approve at
13	one public	c hearing and without notice the change to a class 2
14	restauran	t license of a licensee holding a class 5 dispenser
15	license w	no meets the requirements of a class 2 license.
16	(d)	Class 3. Wholesale dealer license. A license for the
17	sale of l	iquor at wholesale shall authorize the licensee to
18	import and	d sell only to licensees $[ au]$ or to others who are by law
19	authorized	d to resell the liquor specified by the license but are
20	not by law	w required to hold a license[ <del>, the liquor therein</del>
21	specified	; provided that [ <del>samples of liquor may be sold</del> ] <u>a</u>
22	class 3 l:	icensee may sell samples of liquor back to the
	2010-2029	SB2545 CD1 SMA-1.doc

- 1 manufacturer. Under [the license,] a class 3 license, no liquor
- 2 shall be consumed on the premises except as authorized by the
- 3 commission. Of this class, there shall be the following kinds:
- 4 (1) General (includes all liquor except alcohol);
- 5 (2) Beer and wine; and
- 6 (3) Alcohol.
- 7 If any wholesale dealer solicits or takes any orders in any
- 8 county other than that where the dealer's place of business is
- 9 located, the orders may be filled only by shipment direct from
- 10 the county in which the wholesale dealer holds the dealer
- 11 license. Nothing in this subsection shall prevent a wholesaler
- 12 from selling liquor to post exchanges, ships' service stores,
- 13 army or navy officers' clubs, or similar organizations located
- 14 on army or navy reservations, or to any vessel other than
- 15 vessels performing a regular water transportation service
- 16 between any two or more ports in the State, or to aviation
- 17 companies who operate an aerial transportation enterprise [as a
- 18 common carrier, under subject to chapter 269[7] and engaged in
- 19 regular flight passenger services between any two or more
- 20 airports in the State for use on aircraft, or aviation companies
- 21 engaged in transpacific flight operations for use on aircraft
- 22 outside the jurisdiction of the State.

-	(6)	crass 4. Actail dealer license. A license to self
2	liquor at	retail or to class 10 [ <del>licenses</del> ] <u>licensees</u> shall
3	authorize	the licensee to sell the liquor therein specified in
4	their ori	ginal packages. Under [the license,] a class 4
5	license,	no liquor shall be consumed on the premises except as
6	authorize	d by the commission. Of this class, there shall be the
7	following	kinds:
8	(1)	General (includes all liquor except alcohol);
9	(2)	Beer and wine; and
10	(3)	Alcohol.
11	(f)	Class 5. Dispenser license.
12	(1)	A license under this class shall authorize the
13		licensee to sell liquor specified in this subsection
14		for consumption on the premises. A licensee under
15		this class shall be issued a license according to the
16		category of establishment the licensee owns or
17		operates. The categories of establishments shall be
18		as follows:
19		(A) A standard bar;
20		(B) Premises in which a person performs or entertains
21	·	unclothed or in attire restricted to use by
22		entertainers pursuant to commission rules;

1		(C) Premises in which live entertainment or recorded
2		music is provided; provided that facilities for
3		dancing by the patrons may be permitted as
4		provided by commission rules; or
5		(D) Premises in which employees or entertainers are
6		compensated to sit with patrons, regardless of
7		whether the employees or entertainers are
8		consuming nonalcoholic beverages while in the
9		company of the patrons pursuant to commission
10		rules.
11	(2)	If a licensee under class 5 desires to change the
12		category of establishment the licensee owns or
13		operates, the licensee shall apply for a new license
14	·	applicable to the category of the licensee's
15	,	establishment.
16	(3)	Of this class, there shall be the following kinds:
17		(A) General (includes all liquor except alcohol);
18		(B) Beer and wine; and
19		(C) Beer.
20	(g)	Class 6. Club license. A club license shall be
21	general o	nly [+]but [excluding] shall exclude alcohol[+] and
22	shall aut	horize the licensee to sell liquor to members of the

- 1 club and to guests of the club enjoying the privileges of
- 2 membership [T] for consumption only on the premises kept and
- 3 operated by the club; provided that the license shall also
- 4 authorize any club member to keep in the member's private locker
- 5 on the premises a reasonable quantity of liquor[ \_ if] owned by
- 6 the member  $[\tau]$  for the member's own personal use and not to be
- 7 sold [and] that may be consumed only on the premises. A club
- 8 licensee shall be authorized to host charitable functions that
- 9 are open to the general public only pursuant to commission
- 10 rules.
- 11 The categories of establishment shall be as follows:
- 12 (1) A standard bar; or
- 13 (2) Premises in which live entertainment or recorded music
- is provided. Facilities for dancing by the patrons
- may be permitted as provided by commission rules.
- 16 (h) Class 8. Transient vessel license. A general license
- 17 may be granted to the owner of any vessel for the sale of liquor
- 18 [4] other than alcohol[+] on board the vessel while en route
- 19 within the jurisdictional limits of the State and within any
- 20 port of the State. Sales shall be made only for consumption by
- 21 passengers and their guests on board the vessel. The license
- 22 shall be issuable in each county where the sales are to be made;

- 1 provided that the application for the license may be made by any
- 2 agent representing the owner.
- 3 (i) Class 9. Tour or cruise vessel license. A general
- 4 license may be granted to the owner of any tour or cruise vessel
- 5 for the sale of liquor [+] other than alcohol[+] on board the
- 6 vessel while in the waters of the State; provided that sales be
- 7 made only for consumption by passengers on board while the
- 8 vessel is in operation outside the port or dock of any island of
- 9 the State, unless otherwise approved by the county where the
- 10 license has been issued. The license shall be issuable in the
- 11 county [wherein] where the home port of the vessel is situated.
- 12 If, on any vessel for which no license has been obtained under
- 13 this chapter, any liquor is sold or served within three miles of
- 14 the shore of any island of the State, it shall constitute a
- 15 violation of this chapter.
- 16 The categories of establishment shall be as follows:
- 17 (1) A standard bar; or
- 18 (2) Premises in which live entertainment or recorded music
- is provided. Facilities for dancing by the patrons
- 20 may be permitted as provided by commission rules.
- 21 (j) Class 10. Special license. A special license may be
- 22 granted for the sale of liquor for a period not to exceed three

- 1 days and pursuant to commission rule may be approved by the
- 2 administrator for fundraising events by nonprofit organizations,
- 3 political candidates, and political parties; provided that any
- 4 registered educational or charitable nonprofit organization may
- 5 sell liquors in their original packages for off-premises
- 6 consumption. Of this class, there shall be the following kinds:
- 7 (1) General (includes all liquor except alcohol);
- 8 (2) Beer and wine; and
- 9 (3) Beer.
- 10 [Under this license, the liquor-therein specified] Liquor sold
- 11 under a class 10 license shall be consumed on the premises.
- 12 (k) Class 11. Cabaret license. A cabaret license shall
- 13 be general only [+] but [excluding] shall exclude alcohol[+] and
- 14 shall authorize the sale of liquor for consumption on the
- 15 premises. This license shall be issued only for premises where
- 16 food is served, facilities for dancing by the patrons including
- 17 a dance floor are provided, [including a dance floor,] and live
- 18 or amplified recorded music or professional entertainment  $[ \overline{}_{\tau} ]$
- 19 except professional entertainment by a person who performs or
- 20 entertains unclothed  $[\tau]$  is provided for the patrons; provided
- 21 that professional entertainment by persons who perform or
- 22 entertain unclothed shall be authorized by:

1	(1)	A cabaret license for premises where professional
2		entertainment by persons who perform or entertain
3		unclothed was presented on a regular and consistent
4		basis immediately prior to June 15, 1990; or
5	(2)	A cabaret license that, pursuant to rules adopted by
6		the liquor commission, permits professional
7	·	entertainment by persons who perform or entertain
8		unclothed.
9	A cal	baret license under paragraph (1) or (2) authorizing
10	profession	nal entertainment by persons who perform or entertain
11	unclothed	shall be transferable through June 30, 2000. A
12	cabaret l	icense under paragraph (1) or (2) authorizing
13	profession	nal entertainment by persons who perform or entertain
14	unclothed	shall not be transferable after June 30, 2000, except
15	[ <del>when the</del>	transferee obtains upon approval [from] by the liquor
16	commission	$n[\tau]$ and pursuant to rules adopted by the commission.
<b>17</b> .	Notwithsta	anding any rule of the liquor commission to the
18	contrary,	cabarets in resort areas may be opened for the
19	transactio	on of business until 4 a.m. throughout the entire week.
20	(1)	Class 12. Hotel license. A license to sell liquor in
21	a hotel sh	nall authorize the licensee to provide entertainment
22	and dancin	ng on the hotel premises and to sell all liquor $[ au]$

- 1 except alcohol[7] for consumption on the premises; provided that
- 2 a hotel licensee, with commission approval, may provide
- 3 off-premises catering of food and liquor[7] if the catering
- 4 activity is directly related to the licensee's food service.
- 5 Procedures such as room service, self-service
- 6 [4] no-host[7] minibars or similar service in guest rooms, and
- 7 service at parties in areas that are the property of and
- 8 contiguous to the hotel  $[\tau]$  are permitted with commission
- 9 approval.
- 10 Any licensee who would otherwise fall within the hotel
- 11 license class but holds a different class of license may be
- 12 required to apply for a hotel license.
- 13 If the licensee applies for a change of classification
- 14 prior to July 30, 1992, the licensee shall not be subject to the
- 15 requirements of sections 281-52, 281-54, and 281-57 through
- **16** 281-59.
- Any licensee holding a class 12 license on May 1, 2007[7
- 18 and] who would otherwise [come within this class of] qualify for
- 19 a class 15 license may apply to the liquor commission of the
- 20 county in which the licensee is seeking a change in liquor
- 21 license for a change to a class 15 license; provided that the

- 1 licensee shall not be subject to the requirements of section
- 2 281-54 and sections 281-57 to 281-60.
- If a licensee holding a class 12 license on May 1, 2007  $[\tau]$
- 4 applies for a change to a class 15 license, the respective
- 5 liquor commission shall hold a public hearing upon notice [, and
- 6 upon]. On the day of hearing [7] or any adjournment thereof, the
- 7 liquor commission shall consider the application, accept all
- 8 written or oral testimony for or against the application, and
- 9 render its decision granting or refusing the application. If
- 10 the application is denied, the class 12 license shall continue
- 11 in effect in accordance with law.
- 12 (m) Class 13. Caterer license. A general license may be
- 13 granted to any applicant who serves food as part of their
- 14 operation for the sale of liquor [+] other than alcohol[+] while
- 15 performing food catering functions off the premises.
- 16 No catering service for the sale of liquor shall be
- 17 performed off the licensee's premises  $[\tau]$  unless prior written
- 18 notice of the service has been delivered to the office of the
- 19 liquor commission of the county concerned. The notice shall
- 20 state the date, time, and location of the proposed event and
- 21 shall include a written statement signed by the owner or

1	represent	ative of the property that the function will be subject
2	to the li	quor laws and to inspection by investigators.
3	(n)	Class 14. Brewpub license. A brewpub licensee:
4	(1)	Shall manufacture not more than [ten] thirty thousand
5		barrels of malt beverages on the licensee's premises
6		during the license year;
7	(2)	May sell malt beverages manufactured on the licensee's
8		premises for consumption on the premises;
9	(3)	May sell malt beverages manufactured by the licensee
10		in brewery-sealed packages to class 3 wholesale dealer
11		licensees pursuant to conditions imposed by the county
12		by ordinance or rule;
13	(4)	May sell intoxicating liquor[7] purchased from a class
14		1 manufacturer licensee[7] or a class 3 wholesale
15		dealer licensee $[\tau]$ to consumers for consumption on the
16		licensee's premises. The categories of establishments
17	,	shall be as follows:
18		(A) A standard bar; or
19		(B) Premises in which live entertainment or recorded
20	,	music is provided. Facilities for dancing by the
21	,	patrons may be permitted as provided by
22		commission rules;

1	(5)	May sell malt beverages manufactured on the licensee's
2		premises to consumers in brewery-sealed kegs and
3		growlers for off-premises consumption; provided that
4		for purposes of this paragraph, "growler" means a
5		glass container, not to exceed one half-gallon, which
6		shall be securely sealed;
7	(6)	May sell malt beverages manufactured on the licensee's
8		premises [to consumers,] in recyclable containers
9		[that may be] provided by the licensee or by the
10		consumer[, not to] which do not exceed one gallon per
11		container[ - which] and are securely sealed on the
12		licensee's premises[7] to consumers for off-premises
13	,	consumption;
14	(7)	Shall comply with all regulations pertaining to class
15		4 retail dealer licensees when engaging in the retail
16		sale of malt beverages; [and]
17	(8)	May sell malt beverages manufactured on the licensee's
18		premises in brewery-sealed containers directly to
19		class 2 restaurant licensees, class 3 wholesale dealer
20	,	licensees, class 4 retail dealer licensees, class 5
21		dispenser licensees, class 6 club licensees, class 8

transient vessel licensees, class 9 tour or cruise

1		vessel licensees, class 10 special licensees, class 11				
2		cabaret licensees, class 12 hotel licensees, class 13				
3		caterer licensees, [and] class 14 brewpub licensees,				
4		class 15 condominium hotel licensees, and consumers				
5		pursuant to conditions imposed by county regulations				
6		governing class 1 manufacturer licensees and class 3				
7		wholesale dealer licensees[+]; and				
8	(9)	May conduct the activities under paragraphs (1) to (8)				
9		at one location other than the licensee's premises;				
10		provided that:				
11		(A) The manufacturing takes place in Hawaii; and				
12		(B) The other location is properly licensed under the				
13		same ownership.				
14	(0)	Class 15. Condominium hotel license. A license to				
15	sell liquo	or in a condominium hotel shall authorize the licensee				
16	to provide	e entertainment and dancing on the condominium hotel				
17	premises a	and to sell all liquor $[\tau]$ except alcohol $[\tau]$ for				
18	consumption	on on the premises; provided that a condominium hotel				
19	licensee,	with commission approval, may provide off-premises				
20	catering;	provided further that the catering activity is				
21	directly :	related to the licensee's operation as a condominium				
22	hotel.					

1	Procedures such as room service, self-service					
2	[+] no-hos	[-(]no-host[-), minibars or similar service in apartments, and				
3	service a	t private parties in areas that are the property of and				
4	contiguou	s to the condominium hotel[ $ au$ ] are permitted with				
5	commissio	n approval.				
6	A co	ndominium hotel licensee shall not sell liquor in the				
7	manner au	thorized by a class 4 retail [+]dealer[+] license.				
8	Any licensee who would otherwise [fall within] meet the					
9	criteria for the condominium hotel license class but holds a					
10	different class of license may be required to apply for a					
11	condominium hotel license.					
12	(p)	Class 16. Winery license. A winery licensee:				
13	(1)	Shall manufacture not more than ten thousand barrels				
14		of wine on the licensee's premises during the license				
15		year;				
16	(2)	May sell wine manufactured on the licensee's premises				
17		for consumption on the premises;				
18	(3)	May sell wine manufactured by the licensee in winery-				
19		sealed packages to class 3 wholesale dealer licensees				
20		pursuant to conditions imposed by the county by				
21		ordinance or rule;				

1	(4)	May sell wine manufactured on the licensee's premises
2		[to-consumers] in winery-sealed kegs and magnums to
3		consumers for off-premises consumption; provided that
4		for purposes of this paragraph, "magnum" means a glass
5 -		container[7] not to exceed one half-gallon, which may
6		be securely sealed;
7	(5)	May sell wine manufactured on the licensee's premises
8	·	[to-consumers,] in recyclable containers [that may be]
9		provided by the licensee or by the consumer[7-not to]
10		which do not exceed one gallon per container[, which]
11		$\underline{\underline{\text{and}}}$ are securely sealed on the licensee's premises $[\tau]$
12	·	to consumers for off-premises consumption;
13	(6)	Shall comply with all rules pertaining to class 4
14		retail dealer licensees when engaging in the retail
15		sale of wine; and
16	(7)	May sell wine manufactured on the licensee's premises
17		in winery-sealed containers directly to class 2
18		restaurant licensees, class 3 wholesale dealer
<b>19</b>		licensees, class 4 retail dealer licensees, class 5
20		dispenser licensees, class 6 club licensees, class 8
21		transient vessel licensees, class 9 tour or cruise

vessel licensees, class 10 special licensees, class 11

1		caparet licensees, class 12 notel licensees, class 13
2		caterer licensees, class 14 brewpub licensees, and
3		class 15 condominium hotel licensees[7] pursuant to
4		conditions imposed by county planning and public works
5		departments and rules governing class 3 wholesale
6		dealer licensees.
7	<u>(q)</u>	Class 17. Bring-your-own-beverage license. In
8	counties	having a population in excess of 500,000, there is
9	establish	ed a class 17 license; provided that in a county having
10	a populat	ion of 500,000 or less, the respective commission may
11	establish	a class 17 license to which this subsection shall
12	apply.	- · · · · · · · · · · · · · · · · · · ·
13	(1)	A general license of this class shall authorize the
14		licensee to permit patrons to bring their own liquors
15		for consumption on the premises between the hours of
16		6:00 a.m. to 2:00 a.m. the following day. A licensee
17		under this class shall be issued a license according
18		to the category of establishment the licensee owns or
19		operates. The categories of establishments shall be
20		as follows:

1		(A)	FIEMISES IN WINCH TECOTOR MUSIC and Tive
2			entertainment, including karaoke, are provided;
3	,		<u>or</u>
4		<u>(B)</u>	Premises in which recorded music and live
5			entertainment, including karaoke and dancing, are
6			provided.
7	(2)	<u>If a</u>	licensee under this class desires to change the
8		cate	gory of establishment the licensee owns or
9,		oper	ates, the licensee shall apply for a new license
10		appl	icable to the category of the licensee's
11		esta	olishment.
12	(3)	A li	censee under this class shall not be subject to
13		liqu	or commission rules relating to percentage fees.
14	[ <del>-(q)</del> -]	<u>(r)</u>	Restaurants, retailers, dispensers, clubs,
15	cabarets,	hote	ls, caterers, brewpubs, [and] condominium hotels,
16	and bring	-your	-own-beverage establishments licensed under class
17	2, class	4, cl	ass 5, class 6, class 11, class 12, class 13,
18	class 14,	[ <del>and</del>	] class 15, and class 17 shall maintain at all
19	times liqu	uor 1	iability insurance
20	coverage :	in an	amount [of] not less than \$1,000,000[-]; provided
21	that conve	enien	ce minimarts holding a class 4 license shall not
22	be require	ed to	maintain liquor liability insurance coverage in
	2010-2029	SB25	45 CD1 SMA-1.doc

- 1 that amount. Proof of coverage shall be kept on the premises
- 2 and shall be made available for inspection by the commission at
- 3 any time during the licensee's regular business hours. In the
- 4 event of a licensee's failure to obtain or maintain the required
- 5 coverage, the commission shall refuse to issue or renew a
- 6 license  $[\tau]$  or shall suspend or terminate the license as
- 7 appropriate. No license shall be granted, reinstated, or
- 8 renewed until after the required insurance coverage is obtained.
- 9 For purposes of this subsection:
- 10 "Convenience minimarts" commonly refer to a neighborhood
- "mom and pop store".
- 12  $[\frac{r}{r}]$  (s) It shall be unlawful for any retail licensee  $[\frac{r}{r}]$
- 13 except a class 10 licensee [ $\tau$ ] to purchase [ $\tau$ ] or acquire [ $\tau$ or
- 14 sell liquor from any person other than a wholesaler licensed
- 15 pursuant to this chapter, except as otherwise provided in this
- 16 section.
- 17 [(s)] (t) Any provision to the contrary notwithstanding,
- 18 [at the discretion of the county liquor commission, permission
- 19 may be granted to a bona fide hotel, restaurant, or club
- 20 licensed under class 2, class 6, class 11, class 12, class 14,
- 21 class 15, or class 16 to allow] a patron [to] may remove from
- 22 [the] any class of licensed premises any portion of wine,

1	liquor, or beer that was purchased on or brought onto the
2	premises of the licensee engaged in meal service for consumption
3	with a meal; provided that it is recorked or resealed in its
4	original container. [This subsection applies only to a valid
5	holder of a class 2, class 6, class 11, class 12, class 14,
6	class 15, or class 16 license engaged in meal service.] "
7	[ <del>(t)</del> ] <u>(u)</u> Sections 281-57 to 281-60 shall not apply to
8	classes 8 [through], 9, 10, and 13."
9	SECTION 3. Section 281-45, Hawaii Revised Statutes, is
10	amended to read as follows:
11	"§281-45 No license issued, when. No license shall be
12	issued under this chapter:
13	(1) To any minor or to any person who has been convicted
14	of a felony and not pardoned [ <del>(except</del> ], or to any
15	other person not deemed by the commission to be a fit
16	and proper person to have a license; provided that the
17	commission may grant a license under this chapter to a
18	corporation that has been convicted of a felony where
19	the commission finds that the [organization's]
20	corporation's officers and shareholders of twenty-five
21	per cent or more of outstanding stock are fit and

proper persons to have a license[<del>}, or to any other</del>

1	<del>person</del>	not	<del>deemed</del>	-by	the	commission	to	be-	<del>-a-</del>	<del>fit</del>	and
2	<del>proper</del>	pers	<del>on to l</del>	ave	<del>-a-</del> -	License];					

- (2) To a corporation the officers and directors of which, or any of them, would be disqualified under paragraph (1) from obtaining the license individually, or a stockholder of which, owning or controlling twenty-five per cent or more of the outstanding capital stock, or to a general partnership, limited partnership, limited liability partnership, or limited liability company whose partner or member holding twenty-five per cent or more interest of which, or any of them would be disqualified under paragraph (1) from obtaining the license individually;
  - (3) Unless the applicant for a license or a renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee, present to the issuing agency a signed certificate from the director of taxation and from the Internal Revenue Service showing that the applicant or the transferor and transferee do not owe the state or federal governments any delinquent taxes, penalties, or interest; or that the applicant, or in the case of a transfer of a

## S.B. NO. 2545 S.D. 2 H.D. 2

1		license, the transferor or transferee, has entered
2		into an installment plan agreement with the department
3		of taxation and the Internal Revenue Service for the
4		payment of delinquent taxes in installments and that
5		the applicant is or the transferor or transferee is,
6		in the case of a transfer of a license, complying with
7		the installment plan agreement; or
8	(4)	To an applicant for a class 2, class $4[_{7}]$ except for
9		convenience minimarts, class 5, class 6, class 11,
10		class 12, class 13, class 14, [Or] class 15, or class
11		17 license unless the applicant for issuance of a
12		license or renewal of a license, or in the case of a
13		transfer of a license, both the transferor and the
14		transferee, present to the issuing agency proof of
15		liquor liability insurance coverage in an amount of
16		\$1,000,000; or
17	(5)	To any applicant who has had any liquor license
18		revoked less than two years previous to the date of
19		the application for any like or other license under
20		this chapter."
21	SECT	ION 4. Section 281-61, Hawaii Revised Statutes, is

amended by amending subsection (c) to read as follows:

## S.B. NO. 2545 S.D. 2 H.D. 2

- 1 "(c) The commission or board shall deny renewal of a class
- 2 2, class 4, class 5, class 6, class 11, class 12, class 13,
- 3 class 14, [ex] class 15, or class 17 license if the applicant
- 4 for renewal fails to present proof of the liquor liability
- 5 insurance required by section  $\left[\frac{281-31(q)}{r}\right]$  281-31(r)."
- 6 SECTION 5. This Act does not affect rights and duties that
- 7 matured, penalties that were incurred, and proceedings that were
- 8 begun before its effective date.
- 9 SECTION 6. Statutory material to be repealed is bracketed
- 10 and stricken. New statutory material is underscored.
- 11 SECTION 7. This Act shall take effect on July 1, 2010.

S.B. NO. 2545 S.D. 2 H.D. 2 C.D. 1

#### Report Title:

Intoxicating Liquor; Brewpub Manufacturing

## Description:

Limits operating hours of unlicensed bring-your-own bottle establishments. Requires brewpubs to conduct manufacturing and sales activities at one location other than at the licensee's premises, if the manufacture takes place in Hawaii and on other licensed locations of the licensee. Establishes new class 17 of bring-your-own-beverage license for counties with a population in excess of 500,000 and permissive for counties with a population of 500,000 or under. Allows patrons to bring home beer, liquor, and wine that was purchased or brought onto the premises of any class of licensee for consumption with a meal. Allows commission to deny license to any person not deemed fit and proper person to have a license. Eff 7/1/2010. (CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.