A BILL FOR AN ACT

RELATING TO COUNTIES.

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

SECTION 1. Article VIII, section 2 of the Hawaii State
 Constitution states, in relevant part, that:

3 "Each political subdivision shall have the power to
4 frame and adopt a charter for its own self-government
5 within such limits and under such procedures as may be
6 provided by general law. . . .

7 Charter provisions with respect to a political 8 subdivision's executive, legislative and administrative 9 structure and organization shall be superior to statutory 10 provisions, subject to the authority of the legislature to 11 enact general laws allocating and reallocating powers and 12 functions."

13 The purpose of this Act is to authorize the counties to 14 appoint and remove their respective liquor administrators 15 pursuant to their respective county charter. The legislature 16 finds that the granting of this authority is within the purview 17 of the counties' executive and administrative structure and 18 organization, and is therefore supported by and consistent with



Page 2

1	the princ	iple of county self-governance established in article	
2	VIII, sec	tion 2 of the Hawaii State Constitution.	
3	SECT	ION 2. Section 281-11.5, Hawaii Revised Statutes, is	
4	amended to read as follows:		
5	"§28	1-11.5 Liquor [commission and] <u>administrator;</u>	
6	commissio	n and board attorney. (a) Subject to chapter 76, a	
7	liquor administrator shall be appointed and may be removed by		
8	the liquor commission unless otherwise prescribed by the charter		
9	of each county. The liquor administrator may also be appointed		
10	as an investigator and shall be responsible for the operations		
11	and activities of the liquor commission staff.		
12	The liquor administrator may:		
13	(1)	Hire, remove, prescribe the duties of, and fix the	
14		compensation for hearings officers, investigators, and	
15		clerical and other assistants, as the liquor	
16		commission's business may from time to time require;	
17		and	
18	(2)	Engage the services of experts and persons engaged in	
19		the practice of a profession, if deemed expedient.	
20		Every investigator, within the scope of the	
21		investigator's duties, shall have the powers of a	
22		police officer.	
		HMS 2011-2671 3	



Page 3

3

1 The liquor commission or liquor control adjudication (b) 2 board may hire attorneys to assist it in carrying out its 3 administrative functions under this chapter. The assistance may 4 include providing legal advice and prosecuting and defending 5 legal claims under this chapter or arising in connection with 6 this chapter." 7 SECTION 3. Section 281-17, Hawaii Revised Statutes, is 8 amended by amending subsection (a) to read as follows: 9 "(a) The liquor commission, within its own county, shall 10 have the sole jurisdiction, power, authority, and discretion, 11 subject only to this chapter: 12 (1)To grant, refuse, suspend, and revoke any licenses for 13 the manufacture, importation, and sale of liquors; 14 (2) To take appropriate action against a person who, 15 directly or indirectly, manufactures, sells, or 16 purchases any liquor without being authorized pursuant 17 to this chapter; provided that in counties which have 18 established by charter a liquor control adjudication 19 board, the board shall have the jurisdiction, power, 20 authority, and discretion to hear and determine 21 administrative complaints of the director regarding violations of the liquor laws of the State or of the 22



H.B. NO. ⁵⁸⁷ H.D. 2

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] are appropriate for 17 carrying out this chapter and for the efficient administration thereof, and the proper conduct of the 18 19 business of all licensees, including every matter or 20 thing required to be done or [which] that may be done 21 with the approval or consent or by order or under the 22 direction or supervision of or as prescribed by the



H.B. NO. ⁵⁸⁷ H.D. 2

5

1		commission; which rules, when adopted as provided in
2		chapter 91 shall have the force and effect of law;
3	[(5)	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 preseribe
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		dutics, shall have the powers of a police officer;
15	.(6)]	(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	[(7)]	(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
		ING 2011 2001



H.B. NO. ⁵⁸⁷ H.D. 2

6

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	[-(8)]	(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	[-(9)]	(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	[(10)]	(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;



H.B. NO. ⁵⁸⁷ H.D. 2

7

1	[(11)]	(10) To prescribe, by rule, the terms, conditions, and
2		circumstances under which persons or any class of
3		persons may be employed by holders of licenses;
4	[(12)]	(11) To prescribe, by rule, the term of any license or
5		solicitor's and representative's permit authorized by
6		this chapter, the annual or prorated amount, the
7		manner of payment of fees for the licenses and
8		permits, and the amount of filing fees; and
9	[(13)]	(12) To prescribe, by rule, the circumstances and
10	:	penalty for the unauthorized manufacturing or selling
11		of any liquor."
12	SECTI	ON 4. Statutory material to be repealed is bracketed
13	and strick	en. New statutory material is underscored.
14	SECTI	ON 5. This Act shall take effect on July 1, 2030.



6

Report Title: Liquor Commission; Liquor Administrator; Counties

Description:

Authorizes each county's liquor commission to appoint and remove their respective liquor administrator, unless otherwise prescribed by their respective county charter. Effective July 1, 2030. (HB587 HD2)

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

