THE SENATE TWENTY-SIXTH LEGISLATURE, 2011 STATE OF HAWAII

S.B. NO. //02

JAN 2 6 2011

### A BILL FOR AN ACT

RELATING TO COUNTIES.

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

1	SECTION 1. Article VIII, section 2 of the Hawaii
2	Constitution states, in relevant part, that:
3	Each political subdivision shall have the power
4	to frame and adopt a charter for its own self-
5	government within such limits and under such
6	procedures as may be provided by general law
7	Charter provisions with respect to a political
8	subdivision's executive, legislative and
9	administrative structure and organization shall be
10	superior to statutory provisions, subject to the
11	authority of the legislature to enact general laws
12	allocating and reallocating powers and 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 grant of such authority is within the purview of
17	the counties' executive and administrative structure and
18	organization, and is therefore supported by and consistent with
	SB LRB 11-1320.doc

Page 2

## S.B. NO. //02

1	the principle of county self-governance established in article
2	VIII, section 2 of the 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] administrator and board
6	attorney. (a) Subject to chapter 76, a liquor administrator
7	shall be appointed and may be removed by the liquor commission
8	or as prescribed by the charter of each county. The liquor
9	administrator may also be appointed an investigator, and shall
10	be responsible for the operations and activities of the liquor
11	commission staff.
12	The liquor administrator may:
13	(1) Hire, remove, prescribe the duties of, and fix the
14	compensation for hearing 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.



1	(b) The liquor commission or liquor control adjudication
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
22	violations of the liquor laws of the State or of the



Page 4

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



Page 5

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	2 12	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	[-(-7-)-]	(6) To prescribe the nature of the proof to be
21	л. Ал	furnished, the notices to be given, and the conditions
22	·	to be met or observed in case of the issuance of a
	0D T D 11	1200



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	$\left[\frac{11}{11}\right]$ (10) To prescribe, by rule, the terms, conditions,
2	and circumstances under which persons or any class of
3	persons may be employed by holders of licenses;
4	$\left[\frac{(12)}{(11)}\right]$ To prescribe, by rule, the term of any license
5	or solicitor's and representative's permit authorized
6	by 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	SECTION 4. Statutory material to be repealed is bracketed
13	and stricken. New statutory material is underscored.
14	SECTION 5. This Act shall take effect upon its approval.
15	
	INTRODUCED BY:

By Request



Page 7

#### Report Title:

Liquor Commission; Liquor Administrator; Counties

#### Description:

Authorizes the counties to appoint and remove their respective liquor administrators pursuant to their respective county charter. Provides powers and duties of liquor administrator.

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

