



EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

July 5, 2014

**GOV. MSG. NO. 1321**

The Honorable Donna Mercado Kim,  
President  
and Members of the Senate  
Twenty-Seventh State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,  
Speaker and Members of the  
House of Representatives  
Twenty-Seventh State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Kim, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 5, 2014, the following bill was signed into law:

SB3042 SD2 HD1 CD1

RELATING TO LIQUOR LICENSE CLASSES  
**ACT 211 (14)**

*Alaka'i*  
Since  
*Neil Abercrombie*

NEIL ABERCROMBIE  
Governor, State of Hawaii

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# A BILL FOR AN ACT

RELATING TO LIQUOR LICENSE CLASSES.

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

1       SECTION 1. The purpose of this Act is to:

2       (1) Remove the requirement that a class 14 brewpub  
3       licensee manufacture not more than thirty thousand  
4       barrels of malt beverages on the licensee's premises  
5       during the license year;

6       (2) Prohibit brewpub and small craft producer pub  
7       licensees from selling intoxicating liquor purchased  
8       from a class 1 manufacturer licensee for consumption  
9       on the premises;

10      (3) Amend the requirement that a class 16 winery licensee  
11      manufacture not more than twenty thousand, instead of  
12      ten thousand, barrels of wine on the licensee's  
13      premises during the license year;

14      (4) Establish a new class 18 liquor license class for  
15      small craft producer pubs; and

16      (5) Make conforming amendments relating to liquor license  
17      classes.



1 SECTION 2. Section 281-1, Hawaii Revised Statutes, is  
2 amended by amending the definition of "retail licensee" to read  
3 as follows:

4 "Retail licensee" means any licensee holding a class 2,  
5 ~~[or]~~ class 4 through class 16, or class 18 license."

6 SECTION 3. Section 281-31, Hawaii Revised Statutes, is  
7 amended to read as follows:

8 **"§281-31 Licenses, classes.** (a) Licenses may be granted  
9 by the liquor commission as provided in this section.

10 (b) Class 1. Manufacturer license. A license for the  
11 manufacture of liquor shall authorize the licensee to:

12 (1) Manufacture the liquor therein specified;

13 (2) Sell it in original packages to any wholesaler who  
14 holds a license to resell it; and

15 (3) Sell beer, wine, or other specified liquor  
16 manufactured or distilled on the licensee's premises  
17 from fruits or other products grown in the State, in  
18 any quantity:

19 (A) At wholesale in original packages to any person  
20 who holds a license to resell it; and

21 (B) To any person for private use and consumption.



1 Under this license, no liquor shall be consumed on the  
2 premises, except as authorized by the commission. Of this  
3 class, there shall be the following kinds:

- 4 (1) Beer;
- 5 (2) Wine;
- 6 (3) Alcohol; and
- 7 (4) Other specified liquor.

8 It shall be unlawful for any holder of a manufacturer  
9 license to have any interest whatsoever in the license or  
10 licensed premises of any other licensee. This subsection shall  
11 not prevent the holder of a manufacturer license under this  
12 chapter or under the law of another jurisdiction from  
13 maintaining any interest in the license or licensed premises of  
14 a wholesale dealer licensee under this chapter.

15 (c) Class 2. Restaurant license.

- 16 (1) A license under this class shall authorize the  
17 licensee to sell liquor specified in this subsection  
18 for consumption on the premises; provided that a  
19 restaurant licensee, with commission approval, may  
20 provide off-premises catering of food and liquor;  
21 provided further that the catering activity shall be  
22 directly related to the licensee's operation as a



1 restaurant. A licensee under this class shall be  
2 issued a license according to the category of  
3 establishment the licensee owns or operates. The  
4 categories of establishment shall be as follows:

5 (A) A standard bar; or

6 (B) Premises in which live entertainment or recorded  
7 music is provided. Facilities for dancing by the  
8 patrons may be permitted as provided by  
9 commission rules.

10 (2) If a licensee under class 2 desires to change the  
11 category of establishment the licensee owns or  
12 operates, the licensee shall apply for a new license  
13 applicable to the category of the licensee's  
14 establishment.

15 (3) Of this class, there shall be the following kinds:

16 (A) General (includes all liquor except alcohol);

17 (B) Beer and wine; and

18 (C) Beer.

19 Notwithstanding section 281-57, the commission may approve at  
20 one public hearing and without notice the change to a class 2  
21 restaurant license of a licensee holding a class 5 dispenser  
22 license who meets the requirements of a class 2 license.



1 (d) Class 3. Wholesale dealer license. A license for the  
2 sale of liquor at wholesale shall authorize the licensee to  
3 import and sell only to licensees or to others who are by law  
4 authorized to resell the liquor specified by the license but are  
5 not by law required to hold a license; provided that a class 3  
6 licensee may sell samples of liquor back to the manufacturer.  
7 Under a class 3 license, no liquor shall be consumed on the  
8 premises except as authorized by the commission. Of this class,  
9 there shall be the following kinds:

- 10 (1) General (includes all liquor except alcohol);  
11 (2) Beer and wine; and  
12 (3) Alcohol.

13 If any wholesale dealer solicits or takes any orders in any  
14 county other than that where the dealer's place of business is  
15 located, the orders may be filled only by shipment direct from  
16 the county in which the wholesale dealer holds the dealer  
17 license. Nothing in this subsection shall prevent a wholesaler  
18 from selling liquor to post exchanges, ships' service stores,  
19 army or navy officers' clubs, or similar organizations located  
20 on army or navy reservations, or to any vessel other than  
21 vessels performing a regular water transportation service  
22 between any two or more ports in the State, or to aviation



1 companies who operate an aerial transportation enterprise  
2 subject to chapter 269 and engaged in regular flight passenger  
3 services between any two or more airports in the State for use  
4 on aircraft, or aviation companies engaged in transpacific  
5 flight operations for use on aircraft outside the jurisdiction  
6 of the State.

7 (e) Class 4. Retail dealer license. A license to sell  
8 liquor at retail or to class 10 licensees shall authorize the  
9 licensee to sell the liquor therein specified in their original  
10 packages. Under a class 4 license, no liquor shall be consumed  
11 on the premises except as authorized by the commission. Of this  
12 class, there shall be the following kinds:

- 13 (1) General (includes all liquor except alcohol);  
14 (2) Beer and wine; and  
15 (3) Alcohol.

16 (f) Class 5. Dispenser license.

- 17 (1) A license under this class shall authorize the  
18 licensee to sell liquor specified in this subsection  
19 for consumption on the premises. A licensee under  
20 this class shall be issued a license according to the  
21 category of establishment the licensee owns or



1 operates. The categories of establishments shall be  
2 as follows:

3 (A) A standard bar;

4 (B) Premises in which a person performs or entertains  
5 unclothed or in attire restricted to use by  
6 entertainers pursuant to commission rules;

7 (C) Premises in which live entertainment or recorded  
8 music is provided; provided that facilities for  
9 dancing by the patrons may be permitted as  
10 provided by commission rules; or

11 (D) Premises in which employees or entertainers are  
12 compensated to sit with patrons, regardless of  
13 whether the employees or entertainers are  
14 consuming nonalcoholic beverages while in the  
15 company of the patrons pursuant to commission  
16 rules.

17 (2) If a licensee under class 5 desires to change the  
18 category of establishment the licensee owns or  
19 operates, the licensee shall apply for a new license  
20 applicable to the category of the licensee's  
21 establishment.

22 (3) Of this class, there shall be the following kinds:





1 (A) General (includes all liquor except alcohol);

2 (B) Beer and wine; and

3 (C) Beer.

4 (g) Class 6. Club license. A club license shall be  
5 general only but shall exclude alcohol and shall authorize the  
6 licensee to sell liquor to members of the club and to guests of  
7 the club enjoying the privileges of membership for consumption  
8 only on the premises kept and operated by the club; provided  
9 that the license shall also authorize any club member to keep in  
10 the member's private locker on the premises a reasonable  
11 quantity of liquor owned by the member for the member's own  
12 personal use and not to be sold that may be consumed only on the  
13 premises. A club licensee shall be authorized to host  
14 charitable functions that are open to the general public only  
15 pursuant to commission rules.

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  
19 is provided. Facilities for dancing by the patrons  
20 may be permitted as provided by commission rules.

21 (h) Class 8. Transient vessel license. A general license  
22 may be granted to the owner of any vessel for the sale of liquor



1 other than alcohol on board the vessel while en route within the  
2 jurisdictional limits of the State and within any port of the  
3 State. Sales shall be made only for consumption by passengers  
4 and their guests on board the vessel. The license shall be  
5 issuable in each county where the sales are to be made; provided  
6 that the application for the license may be made by any agent  
7 representing the owner.

8 (i) Class 9. Tour or cruise vessel license. A general  
9 license may be granted to the owner of any tour or cruise vessel  
10 for the sale of liquor other than alcohol on board the vessel  
11 while in the waters of the State; provided that sales be made  
12 only for consumption by passengers on board while the vessel is  
13 in operation outside the port or dock of any island of the  
14 State, unless otherwise approved by the county where the license  
15 has been issued. The license shall be issuable in the county  
16 where the home port of the vessel is situated. If, on any  
17 vessel for which no license has been obtained under this  
18 chapter, any liquor is sold or served within three miles of the  
19 shore of any island of the State, it shall constitute a  
20 violation of this chapter.

21 The categories of establishment shall be as follows:

22 (1) A standard bar; or



(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.

(j) Class 10. Special license. A special license may be granted for the sale of liquor for a period not to exceed three days and pursuant to commission rule may be approved by the administrator for fundraising events by nonprofit organizations, political candidates, and political parties; provided that any registered educational or charitable nonprofit organization may sell liquors in their original packages for off-premises consumption. Of this class, there shall be the following kinds:

(1) General (includes all liquor except alcohol);

(2) Beer and wine; and

(3) Beer.

Liquor sold under a class 10 license shall be consumed on the premises.

(k) Class 11. Cabaret license. A cabaret license shall be general only but shall exclude alcohol and shall authorize the sale of liquor for consumption on the premises. This license shall be issued only for premises where food is served, facilities for dancing by the patrons including a dance floor are provided, and live or amplified recorded music or



1 professional entertainment except professional entertainment by  
2 a person who performs or entertains unclothed is provided for  
3 the patrons; provided that professional entertainment by persons  
4 who perform or entertain unclothed shall be authorized by:

5 (1) A cabaret license for premises where professional  
6 entertainment by persons who perform or entertain  
7 unclothed was presented on a regular and consistent  
8 basis immediately prior to June 15, 1990; or

9 (2) A cabaret license that, pursuant to rules adopted by  
10 the liquor commission, permits professional  
11 entertainment by persons who perform or entertain  
12 unclothed.

13 A cabaret license under paragraph (1) or (2) authorizing  
14 professional entertainment by persons who perform or entertain  
15 unclothed shall be transferable through June 30, 2000. A  
16 cabaret license under paragraph (1) or (2) authorizing  
17 professional entertainment by persons who perform or entertain  
18 unclothed shall not be transferable after June 30, 2000, except  
19 upon approval by the liquor commission and pursuant to rules  
20 adopted by the commission. Notwithstanding any rule of the  
21 liquor commission to the contrary, cabarets in resort areas may



1 be opened for the transaction of business until 4 a.m.  
2 throughout the entire week.

3 (1) Class 12. Hotel license. A license to sell liquor in  
4 a hotel shall authorize the licensee to provide entertainment  
5 and dancing on the hotel premises and to sell all liquor except  
6 alcohol for consumption on the premises; provided that a hotel  
7 licensee, with commission approval, may provide off-premises  
8 catering of food and liquor if the catering activity is directly  
9 related to the licensee's food service.

10 Procedures such as room service, self-service no-host  
11 minibars or similar service in guest rooms, and service at  
12 parties in areas that are the property of and contiguous to the  
13 hotel are permitted with commission approval.

14 Any licensee who would otherwise fall within the hotel  
15 license class but holds a different class of license may be  
16 required to apply for a hotel license.

17 If the licensee applies for a change of classification  
18 prior to July 30, 1992, the licensee shall not be subject to the  
19 requirements of sections 281-52, 281-54, and 281-57 through  
20 281-59.

21 Any licensee holding a class 12 license on May 1, 2007 who  
22 would otherwise qualify for a class 15 license may apply to the



1 liquor commission of the county in which the licensee is seeking  
2 a change in liquor license for a change to a class 15 license;  
3 provided that the licensee shall not be subject to the  
4 requirements of section 281-54 and sections 281-57 to 281-60.

5 If a licensee holding a class 12 license on May 1, 2007  
6 applies for a change to a class 15 license, the respective  
7 liquor commission shall hold a public hearing upon notice. On  
8 the day of hearing or any adjournment thereof, the liquor  
9 commission shall consider the application, accept all written or  
10 oral testimony for or against the application, and render its  
11 decision granting or refusing the application. If the  
12 application is denied, the class 12 license shall continue in  
13 effect in accordance with law.

14 (m) Class 13. Caterer license. A general license may be  
15 granted to any applicant who serves food as part of their  
16 operation for the sale of liquor other than alcohol while  
17 performing food catering functions off the premises.

18 No catering service for the sale of liquor shall be  
19 performed off the licensee's premises unless prior written  
20 notice of the service has been delivered to the office of the  
21 liquor commission of the county concerned. The notice shall  
22 state the date, time, and location of the proposed event and



1 shall include a written statement signed by the owner or  
2 representative of the property that the function will be subject  
3 to the liquor laws and to inspection by investigators.

4 (n) Class 14. Brewpub license. A brewpub licensee:

5 ~~[(1) Shall manufacture not more than thirty thousand~~  
6 ~~barrels of malt beverages on the licensee's premises~~  
7 ~~during the license year;~~

8 ~~+(2)]~~ (1) May sell malt beverages manufactured on the  
9 licensee's premises for consumption on the premises;

10 ~~[(3)]~~ (2) May sell malt beverages manufactured by the  
11 licensee in brewery-sealed packages to class 3  
12 wholesale dealer licensees pursuant to conditions  
13 imposed by the county by ordinance or rule;

14 ~~[(4)]~~ (3) May sell intoxicating liquor purchased from a  
15 ~~[class 1 manufacturer licensee or a]~~ class 3 wholesale  
16 dealer licensee to consumers for consumption on the  
17 licensee's premises. The categories of establishments  
18 shall be as follows:

19 (A) A standard bar; or

20 (B) Premises in which live entertainment or recorded  
21 music is provided. Facilities for dancing by the



1 patrons may be permitted as provided by  
2 commission rules;

3 ~~[(5)]~~ (4) May, subject to federal labeling and bottling  
4 requirements, sell malt beverages manufactured on the  
5 licensee's premises to consumers in brewery-sealed  
6 kegs and growlers for off-premises consumption;  
7 provided that for purposes of this paragraph,  
8 "growler" means a glass or metal container, not to  
9 exceed one half-gallon, which shall be securely  
10 sealed;

11 ~~[(6)]~~ (5) May, subject to federal labeling and bottling  
12 requirements, sell malt beverages manufactured on the  
13 licensee's premises in recyclable containers provided  
14 by the licensee or by the consumer which do not exceed  
15 one gallon per container and are securely sealed on  
16 the licensee's premises to consumers for off-premises  
17 consumption;

18 ~~[(7)]~~ (6) Shall comply with all regulations pertaining to  
19 class 4 retail dealer licensees when engaging in the  
20 retail sale of malt beverages;

21 ~~[(8)]~~ (7) May, subject to federal labeling and bottling  
22 requirements, sell malt beverages manufactured on the





1 licensee's premises in brewery-sealed containers  
2 directly to class 2 restaurant licensees, class 3  
3 wholesale dealer licensees, class 4 retail dealer  
4 licensees, class 5 dispenser licensees, class 6 club  
5 licensees, class 8 transient vessel licensees, class 9  
6 tour or cruise vessel licensees, class 10 special  
7 licensees, class 11 cabaret licensees, class 12 hotel  
8 licensees, class 13 caterer licensees, class 14  
9 brewpub licensees, class 15 condominium hotel  
10 licensees, class 18 small craft producer pub  
11 licensees, and consumers pursuant to conditions  
12 imposed by county regulations governing class 1  
13 manufacturer licensees and class 3 wholesale dealer  
14 licensees; and

15 [~~49~~] (8) May conduct the activities under paragraphs (1)  
16 to [~~48~~] (7) at one location other than the licensee's  
17 premises; provided that:

18 (A) The manufacturing takes place in Hawaii; and

19 (B) The other location is properly licensed under the  
20 same ownership.

21 (o) Class 15. Condominium hotel license. A license to  
22 sell liquor in a condominium hotel shall authorize the licensee



1 to provide entertainment and dancing on the condominium hotel  
2 premises and to sell all liquor except alcohol for consumption  
3 on the premises; provided that a condominium hotel licensee,  
4 with commission approval, may provide off-premises catering;  
5 provided further that the catering activity is directly related  
6 to the licensee's operation as a condominium hotel.

7 Procedures such as room service, self-service no-host  
8 minibars or similar service in apartments, and service at  
9 private parties in areas that are the property of and contiguous  
10 to the condominium hotel are permitted with commission approval.

11 A condominium hotel licensee shall not sell liquor in the  
12 manner authorized by a class 4 retail dealer license.

13 Any licensee who would otherwise meet the criteria for the  
14 condominium hotel license class but holds a different class of  
15 license may be required to apply for a condominium hotel  
16 license.

17 (p) Class 16. Winery license. A winery licensee:

18 (1) Shall manufacture not more than [~~ten~~] twenty thousand  
19 barrels of wine on the licensee's premises during the  
20 license year;

21 (2) May sell wine manufactured on the licensee's premises  
22 for consumption on the premises;



- 1           (3) May sell wine manufactured by the licensee in winery-  
2           sealed packages to class 3 wholesale dealer licensees  
3           pursuant to conditions imposed by the county by  
4           ordinance or rule;
- 5           (4) May, subject to federal labeling and bottling  
6           requirements, sell wine manufactured on the licensee's  
7           premises in winery-sealed kegs and magnums to  
8           consumers for off-premises consumption; provided that  
9           for purposes of this paragraph, "magnum" means a glass  
10          container not to exceed one half-gallon, which may be  
11          securely sealed;
- 12          (5) May, subject to federal labeling and bottling  
13          requirements, sell wine manufactured on the licensee's  
14          premises in recyclable containers provided by the  
15          licensee or by the consumer which do not exceed one  
16          gallon per container and are securely sealed on the  
17          licensee's premises to consumers for off-premises  
18          consumption;
- 19          (6) Shall comply with all rules pertaining to class 4  
20          retail dealer licensees when engaging in the retail  
21          sale of wine; and



(7) May sell wine manufactured on the licensee's premises in winery-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, [and] class 15 condominium hotel licensees, and class 18 small craft producer pub licensees pursuant to conditions imposed by county planning and public works departments and rules governing class 3 wholesale dealer licensees.

(q) Class 17. Bring-your-own-beverage license. In counties having a population in excess of 500,000, there is established a class 17 license; provided that in a county having a population of 500,000 or less, the respective commission may establish a class 17 license to which this subsection shall apply.

(1) A general license of this class shall authorize the licensee to permit patrons to bring their own liquors



1 for consumption on the premises between the hours of  
2 6:00 a.m. to 2:00 a.m. the following day. A licensee  
3 under this class shall be issued a license according  
4 to the category of establishment the licensee owns or  
5 operates. The categories of establishments shall be  
6 as follows:

7 (A) Premises in which recorded music and live  
8 entertainment, including karaoke, are provided;  
9 or

10 (B) Premises in which recorded music and live  
11 entertainment, including karaoke and dancing, are  
12 provided.

13 (2) If a licensee under this class desires to change the  
14 category of establishment the licensee owns or  
15 operates, the licensee shall apply for a new license  
16 applicable to the category of the licensee's  
17 establishment.

18 (3) A licensee under this class shall not be subject to  
19 liquor commission rules relating to percentage fees.

20 (r) Class 18. Small craft producer pub license. A small  
21 craft producer pub licensee:

22 (1) Shall manufacture not more than:



1        (A) Sixty thousand barrels of malt beverages;  
2        (B) Twenty thousand barrels of wine; or  
3        (C) Seven thousand five hundred barrels of alcohol on  
4        the licensee's premises during the license year;  
5        provided that for purposes of this paragraph, "barrel"  
6        means a container not exceeding thirty one gallons or  
7        wine gallons of liquor;

8        (2) May sell malt beverages, wine, or alcohol manufactured  
9        on the licensee's premises for consumption on the  
10       premises;

11       (3) May sell malt beverages, wine, or alcohol manufactured  
12       by the licensee in producer-sealed packages to class 3  
13       wholesale dealer licensees pursuant to conditions  
14       imposed by the county by ordinance or rule;

15       (4) May sell intoxicating liquor purchased from a class 3  
16       wholesale dealer licensee to consumers for consumption  
17       on the licensee's premises. The categories of  
18       establishments shall be as follows:

19       (A) A standard bar; or

20       (B) Premises in which live entertainment or recorded  
21       music is provided. Facilities for dancing by the



1           patrons may be permitted as provided by  
2           commission rules;

3       (5) May, subject to federal labeling and bottling  
4       requirements, sell malt beverages manufactured on the  
5       licensee's premises to consumers in producer-sealed  
6       kegs and growlers for off-premises consumption;  
7       provided that for purposes of this paragraph,  
8       "growler" means a glass or metal container, not to  
9       exceed one half-gallon, which shall be securely  
10      sealed;

11      (6) May, subject to federal labeling and bottling  
12      requirements, sell malt beverages, wine, or alcohol  
13      manufactured on the licensee's premises in recyclable  
14      containers provided by the licensee or by the consumer  
15      which do not exceed:

16      (A) One gallon per container for malt beverages and  
17      wine; and

18      (B) One liter for alcohol; and  
19      are securely sealed on the licensee's premises to  
20      consumers for off-premises consumption;



1       (7) Shall comply with all regulations pertaining to class  
2       4 retail dealer licensees when engaging in the retail  
3       sale of malt beverages, wine, and alcohol;

4       (8) May, subject to federal labeling and bottling  
5       requirements, sell malt beverages, wine, and alcohol  
6       manufactured on the licensee's premises in producer-  
7       sealed containers directly to class 2 restaurant  
8       licensees, class 3 wholesale dealer licensees, class 4  
9       retail dealer licensees, class 5 dispenser licensees,  
10      class 6 club licensees, class 8 transient vessel  
11      licensees, class 9 tour or cruise vessel licensees,  
12      class 10 special licensees, class 11 cabaret  
13      licensees, class 12 hotel licensees, class 13 caterer  
14      licensees, class 14 brewpub licensees, class 15  
15      condominium hotel licensees, class 18 small craft  
16      producer pub licensees, and consumers pursuant to  
17      conditions imposed by county regulations governing  
18      class 1 manufacturer licensees and class 3 wholesale  
19      dealer licensees; and

20      (9) May conduct the activities under paragraphs (1) to (8)  
21      at one location other than the licensee's premises;  
22      provided that:





1           (A) The manufacturing takes place in Hawaii; and

2           (B) The other location is properly licensed under the  
3           same ownership.

4           ~~[(s)]~~ (s) Restaurants, retail dealers, dispensers, clubs,  
5 cabarets, hotels, caterers, brewpubs, condominium hotels, ~~[and]~~  
6 bring-your-own-beverage establishments, and small craft producer  
7 pubs licensed under class 2, class 4, class 5, class 6, class  
8 11, class 12, class 13, class 14, class 15, ~~[and]~~ class 17, and  
9 class 18 shall maintain at all times liquor liability insurance  
10 coverage in an amount not less than \$1,000,000; provided that  
11 convenience minimarts holding a class 4 license shall not be  
12 required to maintain liquor liability insurance coverage in that  
13 amount. Proof of coverage shall be kept on the premises and  
14 shall be made available for inspection by the commission at any  
15 time during the licensee's regular business hours. In the event  
16 of a licensee's failure to obtain or maintain the required  
17 coverage, the commission shall refuse to issue or renew a  
18 license or shall suspend or terminate the license as  
19 appropriate. No license shall be granted, reinstated, or  
20 renewed until after the required insurance coverage is obtained.

21           ~~[(s)]~~ (t) It shall be unlawful for any retail licensee  
22 except a class 10 licensee to purchase or acquire liquor from



1 any person other than a wholesaler licensed pursuant to this  
2 chapter, except as otherwise provided in this section.

3 ~~[(t)]~~ (u) Any provision to the contrary notwithstanding, a  
4 patron may remove from any class of licensed premises any  
5 portion of wine, liquor, or beer that was purchased on or  
6 brought onto the premises of the licensee engaged in meal  
7 service for consumption with a meal; provided that it is  
8 recorked or resealed in its original container.

9 ~~[(u)]~~ (v) Sections 281-57 to 281-60 shall not apply to  
10 classes 8, 9, 10, and 13."

11 SECTION 4. Section 281-33.6, Hawaii Revised Statutes, is  
12 amended as follows:

13 1. By amending subsection (a) to read:

14 "(a) Any person holding:

15 (1) A general excise tax license from the department of  
16 taxation; and

17 (2) Either:

18 (A) A class 1 ~~[or]~~, class 16, or class 18 license to  
19 manufacture wine under section 281-31; or

20 (B) A license to manufacture wine issued by another  
21 state,



1 may pay any applicable fees and obtain a direct wine shipper  
2 permit from the liquor commission of the county to which the  
3 wine will be shipped authorizing the holder to directly ship  
4 wine to persons in the county pursuant to this section."

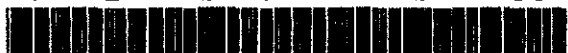
5 2. By amending subsection (c) to read:

6 "(c) The holder of a license to manufacture wine issued by  
7 another state may annually renew a direct wine shipper permit by  
8 providing the liquor commission that issued the permit with a  
9 copy of the license and paying all required fees. The holder of  
10 a class 1 [~~0x~~], class 16, or class 18 license to manufacture  
11 wine under section 281-31 may renew a direct wine shipper permit  
12 concurrently with the class 1 license by complying with all  
13 applicable laws and paying all required fees."

14 SECTION 5. Section 281-45, Hawaii Revised Statutes, is  
15 amended to read as follows:

16 **"§281-45 No license issued, when.** No license shall be  
17 issued under this chapter:

- 18 (1) To any minor or to any person who has been convicted  
19 of a felony and not pardoned, or to any other person  
20 not deemed by the commission to be a fit and proper  
21 person to have a license; provided that the commission  
22 may grant a license under this chapter to a



1 corporation that has been convicted of a felony where  
2 the commission finds that the corporation's officers  
3 and shareholders of twenty-five per cent or more of  
4 outstanding stock are fit and proper persons to have a  
5 license;

6 (2) To a corporation the officers and directors of which,  
7 or any of them, would be disqualified under paragraph  
8 (1) from obtaining the license individually, or a  
9 stockholder of which, owning or controlling twenty-  
10 five per cent or more of the outstanding capital  
11 stock, or to a general partnership, limited  
12 partnership, limited liability partnership, or limited  
13 liability company whose partner or member holding  
14 twenty-five per cent or more interest of which, or any  
15 of them would be disqualified under paragraph (1) from  
16 obtaining the license individually;

17 (3) Unless the applicant for a license or a renewal of a  
18 license, or in the case of a transfer of a license,  
19 both the transferor and the transferee, present to the  
20 issuing agency a signed certificate from the director  
21 of taxation and from the Internal Revenue Service  
22 showing that the applicant or the transferor and



1 transferee do not owe the state or federal governments  
2 any delinquent taxes, penalties, or interest; or that  
3 the applicant, or in the case of a transfer of a  
4 license, the transferor or transferee, has entered  
5 into an installment plan agreement with the department  
6 of taxation and the Internal Revenue Service for the  
7 payment of delinquent taxes in installments and that  
8 the applicant is or the transferor or transferee is,  
9 in the case of a transfer of a license, complying with  
10 the installment plan agreement; [~~or~~]

11 (4) To an applicant for a class 2, class 4 except for  
12 convenience minimarts, class 5, class 6, class 11,  
13 class 12, class 13, class 14, class 15, [~~or~~] class 17,  
14 or class 18 license unless the applicant for issuance  
15 of a license or renewal of a license, or in the case  
16 of a transfer of a license, both the transferor and  
17 the transferee, present to the issuing agency proof of  
18 liquor liability insurance coverage in an amount of  
19 \$1,000,000; or

20 (5) To any applicant who has had any liquor license  
21 revoked less than two years previous to the date of



1 the application for any like or other license under  
2 this chapter."

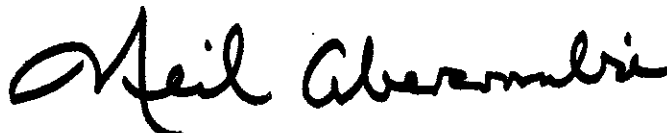
3 SECTION 6. Section 281-61, Hawaii Revised Statutes, is  
4 amended by amending subsection (c) to read as follows:

5 "(c) The commission or board shall deny renewal of a class  
6 2, class 4, class 5, class 6, class 11, class 12, class 13,  
7 class 14, class 15, ~~[or]~~ class 17, or class 18 license if the  
8 applicant for renewal fails to present proof of the liquor  
9 liability insurance required by section ~~[281-31(r)]~~ 281-31(s)."

10 SECTION 7. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 8. This Act shall take effect upon its approval.

APPROVED this 5 day of JUL, 2014



GOVERNOR OF THE STATE OF HAWAII