A BILL FOR AN ACT

RELATING TO LIQUOR LICENSE CLASSES.

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

1	SECT	ION 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)	Establish a new class 18 liquor license class for
7		small craft producer pubs; and
8	(3)	Make conforming amendments relating to liquor license
9		classes.
10	SECT	ION 2. Section 281-1, Hawaii Revised Statutes, is
11	amended b	y amending the definition of "retail licensee" to read
12	as follow	s:
13	""Re	tail licensee" means any licensee holding a class 2 <u>.</u>
14	[or] clas	s 4 through class 16, or class 18 license."
15	SECT	ION 3. Section 281-31, Hawaii Revised Statutes, is
16	amended t	o read as follows:
17	"§28	1-31 Licenses, classes. (a) Licenses may be granted
18	by the li	quor commission as provided in this section.

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Class 1. Manufacturer license. A license for the
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         (b)
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    manufacture of liquor shall authorize the licensee to:
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         (1)
              Manufacture the liquor therein specified;
              Sell it in original packages to any wholesaler who
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         (2)
              holds a license to resell it; and
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         (3)
              Sell beer, wine, or other specified liquor
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              manufactured or distilled on the licensee's premises
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              from fruits or other products grown in the State, in
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              any quantity:
              (A) At wholesale in original packages to any person
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                   who holds a license to resell it; and
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              (B)
                   To any person for private use and consumption.
         Under this license, no liquor shall be consumed on the
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    premises, except as authorized by the commission. Of this
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    class, there shall be the following kinds:
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         (1)
              Beer:
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         (2)
             Wine;
         (3) Alcohol; and
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         (4)
             Other specified liquor.
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         It shall be unlawful for any holder of a manufacturer
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    license to have any interest whatsoever in the license or
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    licensed premises of any other licensee. This subsection shall
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- 1 not prevent the holder of a manufacturer license under this
- 2 chapter or under the law of another jurisdiction from
- 3 maintaining any interest in the license or licensed premises of
- 4 a wholesale dealer licensee under this chapter.
- 5 (c) Class 2. Restaurant license.
- 6 (1) A license under this class shall authorize the 7 licensee to sell liquor specified in this subsection 8 for consumption on the premises; provided that a 9 restaurant licensee, with commission approval, may 10 provide off-premises catering of food and liquor; 11 provided further that the catering activity shall be 12 directly related to the licensee's operation as a restaurant. A licensee under this class shall be 13 14 issued a license according to the category of 15 establishment the licensee owns or operates. The 16 categories of establishment shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules.

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1	(2)	If a licensee under class 2 desires to change the
2		category of establishment the licensee owns or
3		operates, the licensee shall apply for a new license
4		applicable to the category of the licensee's
5		establishment.
6	(3)	Of this class, there shall be the following kinds:
7		(A) General (includes all liquor except alcohol);
8		(B) Beer and wine; and
9		(C) Beer.
10	Notwithst	anding section 281-57, the commission may approve at
11	one publi	c hearing and without notice the change to a class 2
12	restauran	t license of a licensee holding a class 5 dispenser
13	license w	ho meets the requirements of a class 2 license.
14	(b)	Class 3. Wholesale dealer license. A license for the
15	sale of l	iquor at wholesale shall authorize the licensee to
16	import and	d sell only to licensees or to others who are by law
17	authorize	d to resell the liquor specified by the license but are
18	not by la	w required to hold a license; provided that a class 3
19	licensee	may sell samples of liquor back to the manufacturer.
20	Under a c	lass 3 license, no liquor shall be consumed on the
21	premises	except as authorized by the commission. Of this class,
22	there sha	ll be the following kinds:

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- 1 (1) General (includes all liquor except alcohol);
- 2 (2) Beer and wine; and
- 3 (3) Alcohol.
- 4 If any wholesale dealer solicits or takes any orders in any
- 5 county other than that where the dealer's place of business is
- 6 located, the orders may be filled only by shipment direct from
- 7 the county in which the wholesale dealer holds the dealer
- 8 license. Nothing in this subsection shall prevent a wholesaler
- 9 from selling liquor to post exchanges, ships' service stores,
- 10 army or navy officers' clubs, or similar organizations located
- 11 on army or navy reservations, or to any vessel other than
- 12 vessels performing a regular water transportation service
- 13 between any two or more ports in the State, or to aviation
- 14 companies who operate an aerial transportation enterprise
- 15 subject to chapter 269 and engaged in regular flight passenger
- 16 services between any two or more airports in the State for use
- 17 on aircraft, or aviation companies engaged in transpacific
- 18 flight operations for use on aircraft outside the jurisdiction
- 19 of the State.
- 20 (e) Class 4. Retail dealer license. A license to sell
- 21 liquor at retail or to class 10 licensees shall authorize the
- 22 licensee to sell the liquor therein specified in their original



1	packages.	Unde	er a class 4 license, no liquor shall be consumed
2	on the pro	emises	s except as authorized by the commission. Of this
3	class, the	ere sl	nall be the following kinds:
4	(1)	Gene	ral (includes all liquor except alcohol);
5	(2)	Beer	and wine; and
6	(3)	Alcoh	nol.
7	(f)	Class	5. Dispenser license.
8	(1)	A lic	cense under this class shall authorize the
9		licer	see to sell liquor specified in this subsection
10		for o	consumption on the premises. A licensee under
11		this	class shall be issued a license according to the
12		categ	gory of establishment the licensee owns or
13	· .	opera	ates. The categories of establishments shall be
14		as fo	ollows:
15		(A)	A standard bar;
16		(B)	Premises in which a person performs or entertains
17			unclothed or in attire restricted to use by
18			entertainers pursuant to commission rules;
19		(C)	Premises in which live entertainment or recorded
20			music is provided; provided that facilities for
21			dancing by the patrons may be permitted as
22	•		provided by commission rules; or

1		(D)	Premises in which employees or entertainers are
2			compensated to sit with patrons, regardless of
3			whether the employees or entertainers are
4			consuming nonalcoholic beverages while in the
5			company of the patrons pursuant to commission
6			rules.
7	(2)	If a	licensee under class 5 desires to change the
8		cate	gory of establishment the licensee owns or
9		opera	ates, the licensee shall apply for a new license
10		appl:	icable to the category of the licensee's
11		estal	olishment.
12	(3)	Of the	his class, there shall be the following kinds:
13		(A)	General (includes all liquor except alcohol);
14		(B)	Beer and wine; and
15		(C)	Beer.
16	(g)	Class	s 6. Club license. A club license shall be
17	general o	nly bi	ut shall exclude alcohol and shall authorize the
18	licensee	to se	ll liquor to members of the club and to guests of
19	the club	enjoy:	ing the privileges of membership for consumption
20	only on th	ne pro	emises kept and operated by the club; provided
21	that the	licen	se shall also authorize any club member to keep i
22	the membe:	r's p:	rivate locker on the premises a reasonable

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- 1 quantity of liquor owned by the member for the member's own
- 2 personal use and not to be sold that may be consumed only on the
- 3 premises. A club licensee shall be authorized to host
- 4 charitable functions that are open to the general public only
- 5 pursuant to commission rules.
- 6 The categories of establishment shall be as follows:
- 7 (1) A standard bar; or
- 8 (2) Premises in which live entertainment or recorded music
- 9 is provided. Facilities for dancing by the patrons
- may be permitted as provided by commission rules.
- 11 (h) Class 8. Transient vessel license. A general license
- 12 may be granted to the owner of any vessel for the sale of liquor
- 13 other than alcohol on board the vessel while en route within the
- 14 jurisdictional limits of the State and within any port of the
- 15 State. Sales shall be made only for consumption by passengers
- 16 and their guests on board the vessel. The license shall be
- 17 issuable in each county where the sales are to be made; provided
- 18 that the application for the license may be made by any agent
- 19 representing the owner.
- 20 (i) Class 9. Tour or cruise vessel license. A general
- 21 license may be granted to the owner of any tour or cruise vessel
- 22 for the sale of liquor other than alcohol on board the vessel



- 1 while in the waters of the State; provided that sales be made
- 2 only for consumption by passengers on board while the vessel is
- 3 in operation outside the port or dock of any island of the
- 4 State, unless otherwise approved by the county where the license
- 5 has been issued. The license shall be issuable in the county
- 6 where the home port of the vessel is situated. If, on any
- 7 vessel for which no license has been obtained under this
- 8 chapter, any liquor is sold or served within three miles of the
- 9 shore of any island of the State, it shall constitute a
- 10 violation of this chapter.
- 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 (j) Class 10. Special license. A special license may be
- 17 granted for the sale of liquor for a period not to exceed three
- 18 days and pursuant to commission rule may be approved by the
- 19 administrator for fundraising events by nonprofit organizations,
- 20 political candidates, and political parties; provided that any
- 21 registered educational or charitable nonprofit organization may

1 sell liquors in their original packages for off-premises 2 consumption. Of this class, there shall be the following kinds: 3 General (includes all liquor except alcohol); (1) (2) Beer and wine; and 4 5 (3) Beer. Liquor sold under a class 10 license shall be consumed on the 6 7 premises. 8 (k) Class 11. Cabaret license. A cabaret license shall 9 be general only but shall exclude alcohol and shall authorize 10 the sale of liquor for consumption on the premises. This 11 license shall be issued only for premises where food is served, facilities for dancing by the patrons including a dance floor 12 13 are provided, and live or amplified recorded music or professional entertainment except professional entertainment by 14 a person who performs or entertains unclothed is provided for 15 the patrons; provided that professional entertainment by persons 16 who perform or entertain unclothed shall be authorized by: 17 A cabaret license for premises where professional 18 (1) 19 entertainment by persons who perform or entertain 20 unclothed was presented on a regular and consistent 21 basis immediately prior to June 15, 1990; or

1	(2) A cabaret license that, pursuant to rules adopted by
2	the liquor commission, permits professional
3	entertainment by persons who perform or entertain
4	unclothed.
5	A cabaret license under paragraph (1) or (2) authorizing
6	professional entertainment by persons who perform or entertain
7	unclothed shall be transferable through June 30, 2000. A
8	cabaret license under paragraph (1) or (2) authorizing
9	professional entertainment by persons who perform or entertain
10	unclothed shall not be transferable after June 30, 2000, except
11	upon approval by the liquor commission and pursuant to rules
12	adopted by the commission. Notwithstanding any rule of the
13	liquor commission to the contrary, cabarets in resort areas may
14	be opened for the transaction of business until 4 a.m.
15	throughout the entire week.
16	(1) Class 12. Hotel license. A license to sell liquor in
17	a hotel shall authorize the licensee to provide entertainment
18	and dancing on the hotel premises and to sell all liquor except
19	alcohol for consumption on the premises; provided that a hotel
20	licensee, with commission approval, may provide off-premises
21	catering of food and liquor if the catering activity is directly
22	related to the licensee's food service.

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- 1 Procedures such as room service, self-service no-host
- 2 minibars or similar service in guest rooms, and service at
- 3 parties in areas that are the property of and contiguous to the
- 4 hotel are permitted with commission approval.
- 5 Any licensee who would otherwise fall within the hotel
- 6 license class but holds a different class of license may be
- 7 required to apply for a hotel license.
- 8 If the licensee applies for a change of classification
- 9 prior to July 30, 1992, the licensee shall not be subject to the
- 10 requirements of sections 281-52, 281-54, and 281-57 through 281-
- 11 59.
- 12 Any licensee holding a class 12 license on May 1, 2007 who
- 13 would otherwise qualify for a class 15 license may apply to the
- 14 liquor commission of the county in which the licensee is seeking
- 15 a change in liquor license for a change to a class 15 license;
- 16 provided that the licensee shall not be subject to the
- 17 requirements of section 281-54 and sections 281-57 to 281-60.
- 18 If a licensee holding a class 12 license on May 1, 2007
- 19 applies for a change to a class 15 license, the respective
- 20 liquor commission shall hold a public hearing upon notice. On
- 21 the day of hearing or any adjournment thereof, the liquor
- 22 commission shall consider the application, accept all written or



- 1 oral testimony for or against the application, and render its
- 2 decision granting or refusing the application. If the
- 3 application is denied, the class 12 license shall continue in
- 4 effect in accordance with law.
- 5 (m) Class 13. Caterer license. A general license may be
- 6 granted to any applicant who serves food as part of their
- 7 operation for the sale of liquor other than alcohol while
- 8 performing food catering functions off the premises.
- 9 No catering service for the sale of liquor shall be
- 10 performed off the licensee's premises unless prior written
- 11 notice of the service has been delivered to the office of the
- 12 liquor commission of the county concerned. The notice shall
- 13 state the date, time, and location of the proposed event and
- 14 shall include a written statement signed by the owner or
- 15 representative of the property that the function will be subject
- 16 to the liquor laws and to inspection by investigators.
- 17 (n) Class 14. Brewpub license. A brewpub licensee:
- 18 [(1) Shall manufacture not more than thirty thousand
- 19 barrels of malt beverages on the licensee's premises
- 20 during the license year;
- 21 (1) May sell malt beverages manufactured on the
- licensee's premises for consumption on the premises;



1	[-(3) -]	(2) May sell malt beverages manufactured by the
2		licensee in brewery-sealed packages to class 3
3		wholesale dealer licensees pursuant to conditions
4		imposed by the county by ordinance or rule;
5	[-(4) -]	(3) May sell intoxicating liquor purchased from a
6		class 1 manufacturer licensee or a class 3 wholesale
7		dealer licensee to consumers for consumption on the
8		licensee's premises. The categories of establishments
9		shall be as follows:
10		(A) A standard bar; or
11		(B) Premises in which live entertainment or recorded
12		music is provided. Facilities for dancing by the
13		patrons may be permitted as provided by
14		commission rules;
15	[-(5)-]	(4) May sell malt beverages manufactured on the
16		licensee's premises to consumers in brewery-sealed
17		kegs and growlers for off-premises consumption;
18		provided that for purposes of this paragraph,
19		"growler" means a glass or metal container, not to
20		exceed one half-gallon, which shall be securely
21		sealed;

1	[-(6)-]	(5) May sell malt beverages manufactured on the
2		licensee's premises in recyclable containers provided
3		by the licensee or by the consumer which do not exceed
4		one gallon per container and are securely sealed on
5		the licensee's premises to consumers for off-premises
6		consumption;
7	[(7)]	(6) Shall comply with all regulations pertaining to
8		class 4 retail dealer licensees when engaging in the
9		retail sale of malt beverages;
10	[(8)]	(7) May sell malt beverages manufactured on the
11		licensee's premises in brewery-sealed containers
12		directly to class 2 restaurant licensees, class 3
13		wholesale dealer licensees, class 4 retail dealer
14		licensees, class 5 dispenser licensees, class 6 club
15		licensees, class 8 transient vessel licensees, class 9
16		tour or cruise vessel licensees, class 10 special
17		licensees, class 11 cabaret licensees, class 12 hotel
18		licensees, class 13 caterer licensees, class 14
19		brewpub licensees, class 15 condominium hotel
20		licensees, class 18 small craft producer pub
21		licensees, and consumers pursuant to conditions
22		imposed by county regulations governing class 1

1	manufacturer licensees and class 3 wholesale dealer
2	licensees; and
3	$\left[\frac{(9)}{(8)}\right]$ May conduct the activities under paragraphs (1)
4	to $[\frac{(8)}{(7)}]$ at one location other than the licensee's
5	premises; provided that:
6	(A) The manufacturing takes place in Hawaii; and
7	(B) The other location is properly licensed under the
8	same ownership.
9	(o) Class 15. Condominium hotel license. A license to
10	sell liquor in a condominium hotel shall authorize the licensee
11	to provide entertainment and dancing on the condominium hotel
12	premises and to sell all liquor except alcohol for consumption
13	on the premises; provided that a condominium hotel licensee,
14	with commission approval, may provide off-premises catering;
15	provided further that the catering activity is directly related
16	to the licensee's operation as a condominium hotel.
17	Procedures such as room service, self-service no-host
18	minibars or similar service in apartments, and service at
19	private parties in areas that are the property of and contiguous
20	to the condominium hotel are permitted with commission approval.
21	A condominium hotel licensee shall not sell liquor in the
22	manner authorized by a class 4 retail dealer license.

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1	Any	licensee who would otherwise meet the criteria for the
2	condomini	um hotel license class but holds a different class of
3	license m	ay be required to apply for a condominium hotel
4	license.	
5	(p)	Class 16. Winery license. A winery licensee:
6	(1)	Shall manufacture not more than ten thousand barrels
7		of wine on the licensee's premises during the license
8		year;
9	(2)	May sell wine manufactured on the licensee's premises
10		for consumption on the premises;
11	(3)	May sell wine manufactured by the licensee in winery-
12		sealed packages to class 3 wholesale dealer licensees
13		pursuant to conditions imposed by the county by
14		ordinance or rule;
15	(4)	May sell wine manufactured on the licensee's premises
16		in winery-sealed kegs and magnums to consumers for
17		off-premises consumption; provided that for purposes
18		of this paragraph, "magnum" means a glass container
19		not to exceed one half-gallon, which may be securely
20		sealed;
21	(5)	May sell wine manufactured on the licensee's premises

in recyclable containers provided by the licensee or

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1		by the consumer which do not exceed one gallon per
2		container and are securely sealed on the licensee's
3		premises to consumers for off-premises consumption;
4	(6)	Shall comply with all rules pertaining to class 4
5		retail dealer licensees when engaging in the retail
6		sale of wine; and
7	(7)	May sell wine manufactured on the licensee's premises
8		in winery-sealed containers directly to class 2
9		restaurant licensees, class 3 wholesale dealer
10		licensees, class 4 retail dealer licensees, class 5
11		dispenser licensees, class 6 club licensees, class 8
12		transient vessel licensees, class 9 tour or cruise
13		vessel licensees, class 10 special licensees, class 11
14		cabaret licensees, class 12 hotel licensees, class 13
15		caterer licensees, class 14 brewpub licensees, [and]
16		class 15 condominium hotel licensees, and class 18
17		small craft producer pub licensees pursuant to
18		conditions imposed by county planning and public works
19		departments and rules governing class 3 wholesale
20		dealer licensees.
21	(q)	Class 17. Bring-your-own-beverage license. In
22	counties	having a population in excess of 500,000, there is

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f 1 established a class 17 license; provided that in
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- 2 a population of 500,000 or less, the respective commission may
- 3 establish a class 17 license to which this subsection shall
- 4 apply.

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- 10 A general license of this class shall authorize the licensee to permit patrons to bring their own liquors for consumption on the premises between the hours of 6:00 a.m. to 2:00 a.m. the following day. A licensee under this class shall be issued a license according to the category of establishment the licensee owns or operates. The categories of establishments shall be
 - (A) Premises in which recorded music and live entertainment, including karaoke, are provided; or
 - (B) Premises in which recorded music and live entertainment, including karaoke and dancing, are provided.
 - (2) If a licensee under this class desires to change the category of establishment the licensee owns or operates, the licensee shall apply for a new license

as follows:

1		applicable to the category of the licensee's
2		establishment.
3	(3)	A licensee under this class shall not be subject to
4		liquor commission rules relating to percentage fees.
5	<u>(r)</u>	Class 18. Small craft producer pub license. A small
6	craft pro	ducer pub licensee:
7	(1)	Shall manufacture not more than:
8		(A) Sixty thousand barrels of malt beverages;
9		(B) Twenty thousand barrels of wine; or
10		(C) Seven thousand five hundred barrels of alcohol on
11		the licensee's premises during the license year;
12		provided that for purposes of this paragraph,
13		"barrel" means a container not exceeding thirty-
14		one gallons or wine gallons of liquor;
15	(2)	May sell malt beverages, wine, or alcohol manufactured
16		on the licensee's premises for consumption on the
17		premises;
18	(3)	May sell malt beverages, wine, or alcohol manufactured
19		by the licensee in producer-sealed packages to class 3
20		wholesale dealer licensees pursuant to conditions
21		imposed by the county by ordinance or rule;

1	(4)	May sell intoxicating liquor purchased from a class 1
2		manufacturer licensee or a class 3 wholesale dealer
3		licensee to consumers for consumption on the
4		licensee's premises. The categories of establishments
5		shall be as follows:
6		(A) A standard bar; or
7		(B) Premises in which live entertainment or recorded
8		music is provided. Facilities for dancing by the
9		patrons may be permitted as provided by
10		commission rules;
11	(5)	May sell malt beverages manufactured on the licensee's
12		premises to consumers in producer-sealed kegs and
13		growlers for off-premises consumption; provided that
14		for purposes of this paragraph, "growler" means a
15		glass or metal container, not to exceed one half-
16		gallon, which shall be securely sealed;
17	(6)	May sell malt beverages, wine, or alcohol manufactured
18		on the licensee's premises in recyclable containers
19		provided by the licensee or by the consumer which do
20		not exceed:
21		(A) One gallon per container for malt beverages and
22		wine; and

1		(B) One liter for alcohol; and
2		Are securely sealed on the licensee's premises to
3		consumers for off-premises consumption;
4	(7)	Shall comply with all regulations pertaining to class
5		4 retail dealer licensees when engaging in the retail
6		sale of malt beverages, wine, and alcohol;
7	(8)	May sell malt beverages, wine, and alcohol
8		manufactured on the licensee's premises in producer-
9		sealed containers directly to class 2 restaurant
10		licensees, class 3 wholesale dealer licensees, class 4
11		retail dealer licensees, class 5 dispenser licensees,
12		class 6 club licensees, class 8 transient vessel
13		licensees, class 9 tour or cruise vessel licensees,
14		class 10 special licensees, class 11 cabaret
15		licensees, class 12 hotel licensees, class 13 caterer
16		licensees, class 14 brewpub licensees, class 15
17		condominium hotel licensees, class 18 small craft
18		producer pub licensees, and consumers pursuant to
19		conditions imposed by county regulations governing
20		class 1 manufacturer licensees and class 3 wholesale
21		dealer licensees; and

1	(9) May conduct the activities under paragraphs (1) to (8)
2	at one location other than the licensee's premises;
3	provided that:
4	(A) The manufacturing takes place in Hawaii; and
5	(B) The other location is properly licensed under the
6	same ownership.
7	[(r)] <u>(s)</u> Restaurants, retail dealers, dispensers, clubs,
8	cabarets, hotels, caterers, brewpubs, condominium hotels, [and]
9	bring-your-own-beverage establishments, and small craft producer
10	pubs licensed under class 2, class 4, class 5, class 6, class
11	11, class 12, class 13, class 14, class 15, [and] class 17, and
12	class 18 shall maintain at all times liquor liability insurance
13	coverage in an amount not less than \$1,000,000; provided that
14	convenience minimarts holding a class 4 license shall not be
15	required to maintain liquor liability insurance coverage in that
16	amount. Proof of coverage shall be kept on the premises and
17	shall be made available for inspection by the commission at any
18	time during the licensee's regular business hours. In the event
19	of a licensee's failure to obtain or maintain the required
20	coverage, the commission shall refuse to issue or renew a
21	license or shall suspend or terminate the license as

- 1 appropriate. No license shall be granted, reinstated, or
- 2 renewed until after the required insurance coverage is obtained.
- 3 [(s)] (t) It shall be unlawful for any retail licensee
- 4 except a class 10 licensee to purchase or acquire liquor from
- 5 any person other than a wholesaler licensed pursuant to this
- 6 chapter, except as otherwise provided in this section.
- 7 [(t)] (u) Any provision to the contrary notwithstanding, a
- 8 patron may remove from any class of licensed premises any
- 9 portion of wine, liquor, or beer that was purchased on or
- 10 brought onto the premises of the licensee engaged in meal
- 11 service for consumption with a meal; provided that it is
- 12 recorked or resealed in its original container.
- 13 $[\frac{(u)}{(u)}]$ (v) Sections 281-57 to 281-60 shall not apply to
- 14 classes 8, 9, 10, and 13."
- 15 SECTION 4. Section 281-33.6, Hawaii Revised Statutes, is
- 16 amended as follows:
- 17 1. By amending subsection (a) to read:
- 18 "(a) Any person holding:
- 19 (1) A general excise tax license from the department of
- 20 taxation; and
- 21 (2) Either:



1	(A) A class 1 [er], class 16, or class 18 license to
2	manufacture wine under section 281-31; or
3	(B) A license to manufacture wine issued by another
4	state,
5	may pay any applicable fees and obtain a direct wine shipper
6	permit from the liquor commission of the county to which the
7	wine will be shipped authorizing the holder to directly ship
8	wine to persons in the county pursuant to this section."
9	2. By amending subsection (c) to read:
10	"(c) The holder of a license to manufacture wine issued by
11	another state may annually renew a direct wine shipper permit by
12	providing the liquor commission that issued the permit with a
13	copy of the license and paying all required fees. The holder of
14	a class 1 [ex], class 16, or class 18 license to manufacture
15	wine under section 281-31 may renew a direct wine shipper permit
16	concurrently with the class 1 license by complying with all
17	applicable laws and paying all required fees."
18	SECTION 5. Section 281-45, Hawaii Revised Statutes, is
19	amended to read as follows:
20	"§281-45 No license issued, when. No license shall be
21	issued under this chapter:

1	(1)	To any minor or to any person who has been convicted
2		of a felony and not pardoned, or to any other person
3		not deemed by the commission to be a fit and proper
4		person to have a license; provided that the commission
5		may grant a license under this chapter to a
6		corporation that has been convicted of a felony where
7		the commission finds that the corporation's officers
8		and shareholders of twenty-five per cent or more of
9		outstanding stock are fit and proper persons to have a
10		license;
11	(2)	To a corporation the officers and directors of which,
12		or any of them, would be disqualified under paragraph
13		(1) from obtaining the license individually, or a
14		stockholder of which, owning or controlling twenty-
15		five per cent or more of the outstanding capital
16		stock, or to a general partnership, limited
17		partnership, limited liability partnership, or limited
18		liability company whose partner or member holding
19		twenty-five per cent or more interest of which, or any

of them would be disqualified under paragraph (1) from

obtaining the license individually;

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(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
	license, the transferor or transferee, has entered
	into an installment plan agreement with the department
	of taxation and the Internal Revenue Service for the
	payment of delinquent taxes in installments and that
	the applicant is or the transferor or transferee is,
	in the case of a transfer of a license, complying with
	the installment plan agreement; or

(4) To an applicant for a class 2, class 4 except for convenience minimarts, class 5, class 6, class 11, class 12, class 13, class 14, class 15, [ex] class 17, or class 18 license unless the applicant for issuance of a license or renewal of a license, or in the case of a transfer of a license, both the transferor and

1	the transferee, present to the issuing agency proof of
2	liquor liability insurance coverage in an amount of
3	\$1,000,000; or
4	(5) To any applicant who has had any liquor license
5	revoked less than two years previous to the date of
6	the application for any like or other license under
7	this chapter."
8	SECTION 6. Section 281-61, Hawaii Revised Statutes, is
9	amended by amending subsection (c) to read as follows:
10	"(c) The commission or board shall deny renewal of a class
11	2, class 4, class 5, class 6, class 11, class 12, class 13,
12	class 14, class 15, [ex] class 17, or class 18 license if the
13	applicant for renewal fails to present proof of the liquor
14	liability insurance required by section [281-31(r).] 281-31(s).
15	SECTION 7. Statutory material to be repealed is bracketed
16	and stricken. New statutory material is underscored.
17	SECTION 8. This Act shall take effect upon its approval.
18	^ 1
	INTRODUCED BY:

JAN 2 2 2014

Report Title:

Liquor; Liquor License Classes; Brewpubs; Small Craft Producer Pubs

Description:

Removes requirement that a class 14 brewpub licensee manufacture not more than thirty thousand barrels of malt beverages on the licensee's premises during the license year. Establishes a new class 18 liquor license class for small craft producer pubs. Makes conforming amendments relating to liquor license classes.

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