

DAVID Y. IGE GOVERNOR

June 29, 2018 GOV. MSG. NO. 1194

The Honorable Ronald D. Kouchi, President and Members of the Senate Twenty-Ninth State Legislature State Capitol, Room 409 Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Twenty-Ninth State Legislature State Capitol, Room 431 Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 29, 2018, the following bill was signed into law:

HB2410 HD1 SD1

RELATING TO INTOXICATING LIQUOR **ACT 093 (18)** 

Sincerely,

DAVID Y. IGE

Governor, State of Hawai'i

#### Approved by the Governor

ORIGINAL

on JUN 29 2018
HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE, 2018
STATE OF HAWAII

ACT 093 H.B. NO. H.D. 1 S.D. 1

### A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

- 1 SECTION 1. The legislature finds that state law does not
- 2 fully encompass the needs of the craft brewing industry.
- 3 Similar to wineries, craft breweries allow guests to visit the
- 4 production location and satellite tasting rooms for tours and
- 5 educational opportunities. These locations provide sample
- 6 tastings and information on the beverages being served while
- 7 also educating visitors on the local nature of the company.
- 8 Although state laws do not restrict minors from being
- 9 present in the tasting rooms for brewpub and small craft
- 10 producer pub licensees, some counties prohibit minors from being
- 11 present unless the minor is ordering or consuming food from a
- 12 licensed kitchen on the premises.
- 13 Considering that the majority of brewing jobs in the State
- 14 are filled with applicants from the continental United States
- 15 and abroad, the legislature finds that allowing minors on craft
- 16 brewery premises, particularly in tasting rooms, provides an

### H.B. NO. H.D. 1

- 1 opportunity for potential applicants to learn and gain interest
- 2 in Hawaii's prevalent service industry.
- 3 The purpose of this Act is to permit brewpub and small
- 4 craft producer pub licensees to allow minors on the licensee's
- 5 premises under certain circumstances.
- 6 SECTION 2. Section 281-31, Hawaii Revised Statutes, is
- 7 amended as follows:
- 8 1. By amending subsection (n) to read:
- 9 "(n) Class 14. Brewpub license. A brewpub licensee:
- 10 (1) May sell malt beverages manufactured on the licensee's
- 11 premises for consumption on the premises;
- 12 (2) May sell malt beverages manufactured by the licensee
- in brewery-sealed packages to class 3 wholesale dealer
- 14 licensees pursuant to conditions imposed by the county
- by ordinance or rule;
- 16 (3) May sell intoxicating liquor purchased from a class 3
- 17 wholesale dealer licensee to consumers for consumption
- on the licensee's premises. The categories of
- 19 establishments shall be as follows:
- 20 (A) A standard bar; or

1		(B) Premises in which live entertainment or recorded
2		music is provided. Facilities for dancing by the
3	•	patrons may be permitted as provided by
4		commission rules;
5	(4)	May, subject to federal labeling and bottling
6		requirements, sell malt beverages manufactured on the
7		licensee's premises to consumers in brewery-sealed
8		kegs and sell malt beverages manufactured on the
9		licensee's premises or purchased from a class 1
10		manufacturer licensee, a class 3 wholesale dealer
11		licensee, a class 14 brewpub licensee, or a class 18
12		small craft producer pub licensee to consumers in
13		growlers for off-premises consumption; provided that
14		for purposes of this paragraph, "growler" means a
15		glass, ceramic, or metal container, not to exceed one
16		half-gallon, which shall be securely sealed;
17	(5)	May, subject to federal labeling and bottling
18		requirements, sell malt beverages manufactured on the
19		licensee's premises in recyclable containers provided
20		by the licensee or by the consumer which do not exceed
21		one gallon per container and are securely sealed on

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

1	(8)	May conduct the activities under paragraphs (1) to (7)
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[-]; and
7	<u>(9)</u>	May allow minors, who are accompanied by a parent or
8		legal guardian of legal drinking age, on the
9		licensee's premises."
10	2.	By amending subsection (r) to read:
11	"(r)	Class 18. Small craft producer pub license. A small
12	craft pro	ducer pub licensee:
13	(1)	Shall manufacture not more than:
14		(A) Sixty thousand barrels of malt beverages;
15		(B) Twenty thousand barrels of wine; or
16		(C) Seven thousand five hundred barrels of alcohol on
17		the licensee's premises during the license year;
18		provided that for purposes of this paragraph, "barrel"
19		means a container not exceeding thirty-one gallons or
20		wine gallons of liquor;

1	(2)	May sell malt beverages, wine, or alcohol manufactured
2		on the licensee's premises for consumption on the
3		premises;
4	(3)	May sell malt beverages, wine, or alcohol manufactured
- 5		by the licensee in producer-sealed packages to class 3
6		wholesale dealer licensees pursuant to conditions
7		imposed by the county by ordinance or rule;
8	(4)	May sell intoxicating liquor purchased from a class 3
9		wholesale dealer licensee to consumers for consumption
10		on the licensee's premises. The categories of
11		establishments shall be as follows:
12		(A) A standard bar; or
13		(B) Premises in which live entertainment or recorded
14		music is provided. Facilities for dancing by the
15		patrons may be permitted as provided by
16		commission rules;
17	(5)	May, subject to federal labeling and bottling
18		requirements, sell malt beverages manufactured on the
19		licensee's premises to consumers in producer-sealed
20		kegs and sell malt beverages manufactured on the
21		licensee's premises or purchased from a class 1

1		manufacturer licensee, a class 3 wholesale dealer
2		licensee, a class 14 brewpub licensee, or a class 18
3		small craft producer pub licensee to consumers in
4		growlers for off-premises consumption; provided that
5		for purposes of this paragraph, "growler" means a
6		glass, ceramic, or metal container, not to exceed one
7		half-gallon, which shall be securely sealed;
8	(6)	May, subject to federal labeling and bottling
9		requirements, sell malt beverages, wine, or alcohol
10		manufactured on the licensee's premises in recyclable
11		containers provided by the licensee or by the consumer
12		which do not exceed:
13		(A) One gallon per container for malt beverages and
14		wine; and
15		(B) One liter for alcohol; and
16		are securely sealed on the licensee's premises to
17		consumers for off-premises consumption;
18	(7)	Shall comply with all regulations pertaining to class
19		4 retail dealer licensees when engaging in the retail
20		sale of malt beverages, wine, and alcohol;

1	(8)	May, subject to federal labeling and bottling
2		requirements, sell malt beverages, wine, and alcohol
3		manufactured on the licensee's premises in producer-
4		sealed containers directly to class 2 restaurant
5		licensees, class 3 wholesale dealer licensees, class 4
6		retail dealer licensees, class 5 dispenser licensees,
7		class 6 club licensees, class 8 transient vessel
8		licensees, class 9 tour or cruise vessel licensees,
9		class 10 special licensees, class 11 cabaret
10		licensees, class 12 hotel licensees, class 13 caterer
11		licensees, class 14 brewpub licensees, class 15
12		condominium hotel licensees, class 18 small craft
13		producer pub licensees, and consumers pursuant to
14		conditions imposed by county regulations governing
15		class 1 manufacturer licensees and class 3 wholesale
16		dealer licensees; [and]
17	(9)	May conduct the activities under paragraphs (1) to (8)
18		at one location other than the licensee's premises;
19		provided that:
20	·	(A) The manufacturing takes place in Hawaii; and

1	(B) The other location is properly licensed under the
2	same ownership[-]; and
3	(10) May allow minors, who are accompanied by a parent or
4	legal guardian of legal drinking age, on the
5	licensee's premises."
6	SECTION 3. Statutory material to be repealed is bracketed
7	and stricken. New statutory material is underscored.
8	SECTION 4. This Act shall take effect on July 1, 2018.

APPROVED this 29 day of JUN , 2018

GOVERNOR OF THE STATE OF HAWAII

HB No. 2410, HD 1, SD 1

#### THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 27, 2018 Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Twenty-Ninth Legislature of the State of Hawaii, Regular Session of 2018.

Scott K. Saiki Speaker

House of Representatives

Mi L. I Sult

Brian L. Takeshita

Chief Clerk

House of Representatives

#### THE SENATE OF THE STATE OF HAWAI'I

Date: April 10, 2018 Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Third Reading in the Senate of the Twenty-ninth Legislature of the State of Hawai'i, Regular Session of 2018.

resident of the Senate

Clerk of the Senate