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# A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1           SECTION 1. Section 281-31, Hawaii Revised Statutes, is  
2 amended as follows:

3           1. By amending subsection (n) to read:

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

5           (1) May sell malt beverages manufactured on the licensee's  
6           premises for consumption on the premises;

7           (2) May sell malt beverages manufactured by the licensee  
8           in brewery-sealed packages to class 3 wholesale dealer  
9           licensees pursuant to conditions imposed by the county  
10           by ordinance or rule;

11           (3) May sell intoxicating liquor purchased from a class 3  
12           wholesale dealer licensee to consumers for consumption  
13           on the licensee's premises. The categories of  
14           establishments shall be as follows:

15           (A) A standard bar; or

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



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

3 (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 recyclable or reusable containers and sell  
7 malt beverages manufactured on the licensee's premises  
8 or purchased from a class 1 manufacturer licensee, a  
9 class 3 wholesale dealer licensee, a class 14 brewpub  
10 licensee, or a class 18 small craft producer pub  
11 licensee to consumers in growlers for off-premises  
12 consumption; provided that for purposes of this  
13 paragraph, "growler" means a [~~glass, ceramic, or metal~~  
14 ~~container,~~] recyclable or reusable container not to  
15 exceed one [~~half-gallon,~~] gallon, which shall be  
16 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)]~~ (5) Shall comply with all [~~regulations~~] requirements  
4           pertaining to class 4 retail dealer licensees when  
5           engaging in the retail sale of malt beverages;  
6           ~~(7)]~~ (6) 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~~] ordinances or rules  
20          governing class 1 manufacturer licensees and class 3  
21          wholesale dealer licensees; and

1        ~~[(8)]~~ (7) May conduct the activities under paragraphs (1)  
2        to ~~[(7)]~~ (6) at ~~[one location]~~ locations other than  
3        the licensee's primary manufacturing premises;  
4        provided that:

5        (A) The manufacturing takes place in Hawaii; ~~[and]~~  
6        (B) The other satellite locations operate under the  
7        same trade name within the State;

8        ~~[(B)]~~ (C) The other [location is] satellite locations  
9        are properly licensed [under the same ownership.]  
10       as a class 1 manufacturer licensee, class 2  
11       restaurant licensee, class 4 retail dealer  
12       licensee, class 5 dispenser licensee, class 12  
13       hotel licensee, class 14 brewpub licensee, or  
14       class 18 small craft producer pub licensee within  
15       the county of operation; and

16       (D) The county liquor department of the county in  
17       which the licensee satellite is located shall  
18       have jurisdiction of the satellite. All  
19       requirements of the license class of the location  
20       shall be in effect as required by the county



1                   liquor commission for the satellite licensed  
2                   premises."

3           2. By amending subsection (r) to read:

4           "(r) Class 18. Small craft producer pub license. A small  
5 craft producer pub licensee:

6           (1) Shall manufacture not more than:

7           (A) [~~Sixty~~] One hundred twenty-five thousand barrels  
8           of malt beverages;

9           (B) Twenty thousand barrels of wine; or

10           (C) Seven thousand five hundred barrels of alcohol,  
11 on the licensee's premises during the license year;  
12 provided that for purposes of this paragraph, "barrel"  
13 means a container not exceeding thirty-one gallons or  
14 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 3  
2           wholesale dealer licensee to consumers for consumption  
3           on the licensee's premises. The categories of  
4           establishments 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          (5) May, subject to federal labeling and bottling  
11          requirements, sell malt beverages manufactured on the  
12          licensee's premises to consumers in producer-sealed  
13          kegs and recyclable or reusable containers and sell  
14          malt beverages manufactured on the licensee's premises  
15          or purchased from a class 1 manufacturer licensee, a  
16          class 3 wholesale dealer licensee, a class 14 brewpub  
17          licensee, or a class 18 small craft producer pub  
18          licensee to consumers in growlers for off-premises  
19          consumption; provided that for purposes of this  
20          paragraph, "growler" means a [~~glass, ceramic, or metal~~  
21          ~~container,~~] recyclable or reusable container not to



1 exceed one [~~half-gallon,~~] gallon, which shall be  
2 securely sealed;

3 (6) May, subject to federal labeling and bottling  
4 requirements, sell [~~malt-beverages,~~] wine[~~,~~] or  
5 alcohol manufactured on the licensee's premises in  
6 recyclable containers provided by the licensee or by  
7 the consumer which do not exceed:

8 (A) One gallon per container for [~~malt-beverages-and~~]  
9 wine; and

10 (B) One liter for alcohol; and

11 are securely sealed on the licensee's premises to  
12 consumers for off-premises consumption;

13 (7) Shall comply with all [~~regulations~~] requirements  
14 pertaining to class 4 retail dealer licensees when  
15 engaging in the retail sale of malt beverages, wine,  
16 and alcohol;

17 (8) May, subject to federal labeling and bottling  
18 requirements, sell malt beverages, wine, and alcohol  
19 manufactured on the licensee's premises in producer-  
20 sealed containers directly to class 2 restaurant  
21 licensees, class 3 wholesale dealer licensees, class 4



1 retail dealer licensees, class 5 dispenser licensees,  
2 class 6 club licensees, class 8 transient vessel  
3 licensees, class 9 tour or cruise vessel licensees,  
4 class 10 special licensees, class 11 cabaret  
5 licensees, class 12 hotel licensees, class 13 caterer  
6 licensees, class 14 brewpub licensees, class 15  
7 condominium hotel licensees, class 18 small craft  
8 producer pub licensees, and consumers pursuant to  
9 conditions imposed by county [~~regulations~~] ordinances  
10 or rules governing class 1 manufacturer licensees and  
11 class 3 wholesale dealer licensees; and

12 (9) May conduct the activities under paragraphs (1) to (8)  
13 at [~~one location~~] locations other than the licensee's  
14 primary manufacturing premises; provided that:

15 (A) The manufacturing takes place in Hawaii; [~~and~~]

16 (B) The other satellite locations operate under the  
17 same trade name within the State;

18 [~~(B)~~] (C) The other [~~location is~~] satellite locations  
19 are properly licensed [~~under the same ownership.~~]  
20 as a class 1 manufacturer licensee, class 2  
21 restaurant licensee, class 4 retail dealer



1           licensee, class 5 dispenser licensee, class 12  
2           hotel licensee, class 14 brewpub licensee, or  
3           class 18 small craft producer pub licensee within  
4           the county of operation; and  
5           (D) The county liquor department of the county in  
6           which the licensee satellite is located shall  
7           have jurisdiction of the satellite. All  
8           requirements of the license class of the location  
9           shall be in effect as required by the county  
10           liquor commission for the satellite licensed  
11           premises."

12           SECTION 2. Section 281-33.6, Hawaii Revised Statutes, is  
13 amended to read as follows:

14           "§281-33.6 Direct shipment of [~~wine~~] liquor by [~~wineries~~]  
15 producers. (a) Any person holding:

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

18           (2) Either:

19           (A) A class 1, class 14, class 16, or class 18  
20           license to manufacture [~~wine~~] liquor under  
21           section 281-31; or





- 1           (3) Report no later than January 31 of each year to the  
2           liquor commission in each county where a direct [wine]  
3           liquor shipper permit is held, the total amount of  
4           [wine] liquor shipped to persons in the county during  
5           the preceding calendar year;
- 6           (4) Pay all applicable general excise and gallonage taxes.  
7           For gallonage tax purposes, all [wine] liquor sold  
8           under a direct [wine] liquor shipper permit shall be  
9           deemed to be [wine] liquor sold in the State; and
- 10          (5) Be subject to audit by the liquor commission of each  
11          county in which a permit is held.
- 12          (c) The holder of a license to manufacture [wine] liquor  
13          issued by another state may annually renew a direct [wine]  
14          liquor shipper permit by providing the liquor commission that  
15          issued the permit with a copy of the license and paying all  
16          required fees. The holder of a class 1, class 14, class 16, or  
17          class 18 license to manufacture [wine] liquor under section  
18          281-31 may renew a direct [wine] liquor shipper permit  
19          concurrently with the [~~class 1~~] applicable license by complying  
20          with all applicable laws and paying all required fees.



1           (d) The sale and shipment of [~~wine~~] liquor directly to a  
2 person in this State by a person that does not possess a valid  
3 direct [~~wine~~] liquor shipper permit is prohibited. Knowingly  
4 violating this law is a misdemeanor.

5           (e) The liquor [~~+~~]commission[~~+~~] in each county may adopt  
6 rules and regulations necessary to carry out the intent and  
7 purpose of this section."

8           SECTION 3. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10          SECTION 4. This Act shall take effect on July 1, 2018.



**Report Title:**

Liquor Licenses; Brewpubs; Small Craft Producer Pubs; Satellite Locations; Retail Sales; Intoxicating Liquors; Containers; Direct Shipping; Manufacturers

**Description:**

Clarifies the definition of growler. Permits a class 18 small craft producer pub licensee to manufacture not more than one hundred twenty-five thousand barrels of malt beverages on the licensee's premises during the license year. Clarifies that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at satellite locations other than the licensee's primary manufacturing premises under certain conditions. Allows direct shipment of all forms of liquor, rather than just wine, by certain licensees. (SD1)

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

