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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 by amending subsection (c) to read as follows:

3           "(c) Class 2. Restaurant license.

4           (1) A license under this class shall authorize the  
5           licensee to sell liquor specified in this subsection  
6           for consumption on the premises; provided that a  
7           restaurant licensee, with commission approval, may  
8           provide off-premises catering of food and liquor;  
9           provided further that the catering activity shall be  
10          directly related to the licensee's operation as a  
11          restaurant. A license under this class shall also  
12          authorize the licensee to sell beer, malt beverages,  
13          or cider for off-premises consumption; provided that  
14          the licensee has the appropriate kind of license  
15          pursuant to paragraph (3); [~~and~~] provided further that  
16          the beer, malt beverage, or cider is sold in a  
17          securely sealed or covered glass, ceramic, or metal  
18          container that is sold to or provided by the patron,



1 and each sealed or covered glass, ceramic, or metal  
2 container does not exceed a maximum capacity of one-  
3 half gallon. A licensee under this class shall be  
4 issued a license according to the category of  
5 establishment the licensee owns or operates. The  
6 categories of establishment shall be as follows:

- 7 (A) A standard bar; or
- 8 (B) Premises in which live entertainment or recorded  
9 music is provided. Facilities for dancing by the  
10 patrons may be permitted as provided by  
11 commission rules.

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

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

- 18 (A) General (includes all liquor except alcohol);
- 19 (B) Beer and wine; and
- 20 (C) Beer.



1       (4) A new class 2 license may be issued prior to an  
2       establishment commencing operation. An application  
3       for a new class 2 license shall include a  
4       certification by the applicant that the applicant  
5       intends to and shall derive no less than thirty per  
6       cent of the establishment's gross revenue from the  
7       sale of foods.

8 Notwithstanding section 281-57, the commission may approve at  
9 one public hearing and without notice the change to a class 2  
10 restaurant license of a licensee holding a class 5 dispenser  
11 license who meets the requirements of a class 2 license."

12       SECTION 2. Section 281-41, Hawaii Revised Statutes, is  
13 amended by amending subsection (a) to read as follows:

14       "(a) No license issued under this chapter to an original  
15 applicant or to any transferee shall be transferable or be  
16 transferred within one year of the issuance or transfer, except  
17 for good cause shown to the satisfaction of the liquor  
18 commission. A transfer of license shall be for the same class,  
19 kind, and category of license. No license issued under this  
20 chapter shall be transferable or be transferred except upon  
21 written application to the commission by the proposed



1 transferee, and after prior inspection of the premises,  
2 reference to, and report by an inspector, and a public hearing  
3 held by the commission not less than fourteen days after one  
4 publication of notice thereof, but without sending notice of the  
5 hearing by mail to persons being the owners or lessees of real  
6 estate situated within the vicinity of the premises and without  
7 the right to the owners or lessees to protest the transfer of a  
8 license. Exceptions are class 5 and 11 licensees who [~~must~~]  
9 shall comply with the requirements as set forth in sections  
10 281-57 to 281-60. Notwithstanding any provision of this chapter  
11 to the contrary, a class 2 license shall be transferrable;  
12 provided that the transferee certifies that the transferee  
13 intends to and shall derive no less than thirty per cent of the  
14 establishment's gross revenue from the sale of foods."

15 SECTION 3. Statutory material to be repealed is bracketed  
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect upon its approval.



**Report Title:**

Liquor License; Restaurant Licenses; New Licenses; Transfer of License; Liquor Commission

**Description:**

Authorizes the county liquor commissions to issue new class 2 restaurant licenses before restaurants commence operation. Clarifies that class 2 restaurant licenses are transferrable. Requires an applicant for a new class 2 restaurant license or a transferee to certify that the applicant or transferee intends to and shall derive no less than thirty per cent of the establishment's gross revenue from the sale of foods. (CD1)

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

