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 and 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 scaled 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)] <u>(7)</u>	May conduct the activities under paragraphs (1)
2	to [-	(7) (6) at [one location] locations other than
3	the I	licensee's primary manufacturing premises;
4	prov	ided that:
5	(A)	The manufacturing takes place in Hawaii; [and]
6	(B)	The other locations operate under the same trade
7		name within the State;
8	[(B)]	(C) The other [location is] <u>locations are</u>
9		properly licensed [under the same ownership.] as
10		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		any county of the State; and
16	(D)	The public hearing requirements pursuant to
17		sections 281-57 through 281-60 shall not apply to
18		the licensure of the other locations within any
19		county of the State under subparagraph (C);
20		provided that there have not been any actionable

1	complaints against the licensee's primary	
2	manufacturing premises."	
3	2. By amending subsection (r) to read:	
4	"(r) Class 18. Small craft producer pub license. A smal	11
5	craft producer pub licensee:	
6	(1) Shall manufacture not more than:	
7	(A) [Sixty] One hundred thousand barrels of malt	
8	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, "barre	1"
13	means a container not exceeding thirty-one gallons of	r
14	wine gallons of liquor;	
15	(2) May sell malt beverages, wine, or alcohol manufacture	ed
16	on the licensee's premises for consumption on the	
17	premises;	
18	(3) May sell malt beverages, wine, or alcohol manufacture	ed
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 incoxidating 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

container,] recyclable or reusable container not to

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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

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 locations operate under the same trade
17		name within the State;
18		[(B)] <u>(C)</u> The other [location is] <u>locations are</u>
19		properly licensed [under the same ownership.] as
20		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	any county of the State; and
5	(D) The public hearing requirements pursuant to
6	sections 281-57 through 281-60 shall not apply to
7	the licensure of the other locations within any
8	county of the State under subparagraph (C);
9	provided that there have not been any actionable
10	complaints against the licensee's primary
11	manufacturing 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] <u>liquor</u> under
21	section 281-31; or

1	(B) A license to manufacture [wine] <u>liquor</u> issued by
2	another state,
3	may pay any applicable fees and obtain a direct [wine] liquor
4	shipper permit from the liquor commission of the county to which
5	the [wine] liquor will be shipped authorizing the holder to
6	directly ship [wine] liquor to persons in the county pursuant to
7	this section.
8	(b) The holder of a direct $[wine]$ <u>liquor</u> shipper permit
9	may sell and annually ship to any person twenty-one years of age
10	or older in the county that issued the permit, no more than six
11	nine-liter cases of wine, no more than forty-two gallons of
12	beer, and no more than two nine-liter cases of spirits per
13	household for personal use only and not for resale, and shall:
14	(1) Ship $[wine]$ <u>liquor</u> directly to the person only in
15	containers that are conspicuously labeled with the
16	words:
17	"CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS
18	OR OLDER REQUIRED FOR DELIVERY.";
19	(2) Require that the carrier of the shipment obtain the
20	signature of any person twenty-one years of age or
21	older before delivering the shipment;

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1	(3)	Report no later than January 31 of each year to the
2		liquor commission in each county where a direct [wine]
3		<u>liquor</u> shipper permit is held, the total amount of
4		[wine] <u>liquor</u> shipped to persons in the county during
5		the preceding calendar year;

- (4) Pay all applicable general excise and gallonage taxes.

 For gallonage tax purposes, all [wine] liquor sold

 under a direct [wine] liquor shipper permit shall be

 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.
- The holder of a license to manufacture [wine] liquor 12 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 required fees. The holder of a class 1, class 14, class 16, or 16 class 18 license to manufacture [wine] liquor under section 281-17 31 may renew a direct [wine] liquor shipper permit concurrently 18 19 with the class 1 license by complying with all applicable laws 20 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.

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Report Title:

Liquor License; Brewpubs; Small Craft Producer Pubs; Retail Locations; Intoxicating Liquors; Containers; Direct Shipping; Manufacturers

Description:

Clarifies the definition of growler. Clarifies that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at locations other than the licensee's primary manufacturing premises under certain conditions. Allows direct shipping 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.