JAN 202023

## A BILL FOR AN ACT

RELATING TO LIQUOR LICENSES.

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

SECTION 1. The purpose of this Act is to authorize an increase in the volume of manufactured liquor and other alcoholic beverages that is permissible with a small craft producer pub license in the State.

SECTION 2. Section 281-31, Hawaii Revised Statutes, is amended by amending subsection ( $r$ ) to read as follows:
"(r) Class 18. Small craft producer pub license. A small craft producer pub licensee:
(1) Shall manufacture in the state not more than:
(A) [Seventy] One hundred fifty thousand barrels of malt beverages;
(B) [Twty Thirty thousand barrels of wine; or
(C) [seven] Ten thousand [five hundred] barrels of alcohol on the licensee's premises during the license year;
provided that for purposes of this paragraph, "barrel" means a container not exceeding thirty-one gallons or wine gallons of liquor;
(2) May sell malt beverages, wine, or alcohol manufactured on the licensee's premises for consumption on the premises;
(3) May sell malt beverages, wine, or alcohol manufactured by the licensee in producer-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
(4) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments 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;
(5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the
licensee's premises to consumers in producer-sealed kegs and recyclable or reusable containers and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a recyclable or reusable container that does not exceed one gallon, which shall be securely sealed;
(6) May, subject to federal labeling and bottling requirements, sell wine or alcohol manufactured on the licensee's premises in recyclable containers provided by the licensee or by the consumer [which] that do not exceed:
(A) One gallon per container for wine; and
(B) One liter for alcohol; and
are securely sealed on the licensee's premises to consumers for off-premises consumption;
(7) Shall comply with all requirements pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages, wine, and alcohol;
(8) May, subject to federal labeling and bottling requirements, sell malt beverages, wine, and alcohol manufactured on the licensee's premises in producersealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county ordinances or rules governing class 1 manufacturer licensees and class 3 wholesale dealer licensees;
(9) May conduct the activities under paragraphs (1) to (8) at locations other than the licensee's premises; provided that:
(A) The manufacturing takes place in Hawaii;
(B) Each of the other locations:
(i) Operates within the State under the same trade name for the premises; and
(ii) Is properly licensed within the county of its operation as a class 1 manufacturer licensee, class 2 restaurant licensee, class 4 retail dealer licensee, class 5 dispenser licensee, class 12 hotel licensee, class 14 brewpub licensee, or class 18 small craft producer pub licensee;
(C) The county liquor commission of the county in which the licensee satellite is located shall have jurisdiction of the satellite; and
(D) All requirements of the license class of the location shall be in effect as required by the county liquor commission for the satellite licensed premises; and
(10) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 4. This Act shall take effect upon its approval.


## S.B. NO. 1103

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Report Title:
Intoxicating Liquor; Licenses and Permits; Manufacturer License;
Small Craft Producer Pub License; Manufacturing Limit; Increase
Description:
Increases the liquor manufacturing limits for Class 18 small
craft producer pub license holders.
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