

---

# A BILL FOR AN ACT

RELATING TO LIQUOR LICENSES.

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

1 SECTION 1. The legislature finds that the current  
2 manufacturing limitations placed on small craft producer  
3 licensees does not properly support local manufacturing.  
4 Instead, the aim should be to support the State's local  
5 producers and provide a reasonable increase to production  
6 limitations to more accurately reflect consumer demand in the  
7 State.

8 Accordingly, the purpose of this Act is to authorize an  
9 increase in the volume of manufactured alcoholic beverages  
10 permissible under a small craft producer pub license in the  
11 State.

12 SECTION 2. Section 281-31, Hawaii Revised Statutes, is  
13 amended by amending subsection (r) to read as follows:

14 "(r) Class 18. Small craft producer pub license. A small  
15 craft producer pub licensee:  
16 (1) Shall manufacture not more than:



1 (A) [Seventy] One hundred fifty thousand barrels of  
2 malt beverages;

3 (B) [Twenty] Forty thousand barrels of wine; or

4 (C) [Seven] Twenty thousand [~~five hundred~~] barrels of  
5 alcohol on the licensee's premises during the  
6 license year;

7 provided that for purposes of this paragraph, "barrel"  
8 means a container not exceeding thirty-one gallons or  
9 wine gallons of liquor;

10 (2) May sell malt beverages, wine, or alcohol manufactured  
11 on the licensee's premises for consumption on the  
12 premises;

13 (3) May sell malt beverages, wine, or alcohol manufactured  
14 by the licensee in producer-sealed packages to class 3  
15 wholesale dealer licensees pursuant to conditions  
16 imposed by the county by ordinance or rule;

17 (4) May sell intoxicating liquor purchased from a class 3  
18 wholesale dealer licensee to consumers for consumption  
19 on the licensee's premises. The categories of  
20 establishments shall be as follows:

21 (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 (5) May, subject to federal labeling and bottling  
6 requirements, sell malt beverages manufactured on the  
7 licensee's premises to consumers in producer-sealed  
8 kegs and recyclable or reusable containers and sell  
9 malt beverages manufactured on the licensee's premises  
10 or purchased from a class 1 manufacturer licensee, a  
11 class 3 wholesale dealer licensee, a class 14 brewpub  
12 licensee, or a class 18 small craft producer pub  
13 licensee to consumers in growlers for off-premises  
14 consumption; provided that for purposes of this  
15 paragraph, "growler" means a recyclable or reusable  
16 container that does not exceed one gallon, which shall  
17 be securely sealed;

18 (6) May, subject to federal labeling and bottling  
19 requirements, sell wine or alcohol manufactured on the  
20 licensee's premises in recyclable containers provided



1 by the licensee or by the consumer [which] that do not  
2 exceed:

3 (A) One gallon per container for wine; and  
4 (B) One [liter] and three-quarter liters for alcohol;  
5 and

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

8 (7) Shall comply with all requirements pertaining to class  
9 4 retail dealer licensees when engaging in the retail  
10 sale of malt beverages, wine, and alcohol;  
11 (8) May, subject to federal labeling and bottling  
12 requirements, sell malt beverages, wine, and alcohol  
13 manufactured on the licensee's premises in  
14 producer-sealed containers directly to class 2  
15 restaurant licensees, class 3 wholesale dealer  
16 licensees, class 4 retail dealer licensees, class 5  
17 dispenser licensees, class 6 club licensees, class 8  
18 transient vessel licensees, class 9 tour or cruise  
19 vessel licensees, class 10 special licensees, class 11  
20 cabaret licensees, class 12 hotel licensees, class 13  
21 caterer licensees, class 14 brewpub licensees, class



1           15 condominium hotel licensees, class 18 small craft  
2           producer pub licensees, and consumers pursuant to  
3           conditions imposed by county ordinances or rules  
4           governing class 1 manufacturer licensees and class 3  
5           wholesale dealer licensees;

6           (9) May conduct the activities under paragraphs (1) [to]  
7           through (8) at locations other than the licensee's  
8           premises; provided that:

9           (A) The manufacturing takes place in [Hawaii;] the  
10           State;

11           (B) Each of the other locations:

12           (i) Operates within the State under the same  
13           trade name for the premises; and  
14           (ii) Is properly licensed within the county of  
15           its operation as a class 1 manufacturer  
16           licensee, class 2 restaurant licensee, class  
17           4 retail dealer licensee, class 5 dispenser  
18           licensee, class 12 hotel licensee, class 14  
19           brewpub licensee, or class 18 small craft  
20           producer pub licensee;

1 (C) The county liquor commission of the county in  
2 which the licensee satellite is located shall  
3 have jurisdiction of the satellite; and  
4 (D) All requirements of the license class of the  
5 location shall be in effect as required by the  
6 county liquor commission for the satellite  
7 licensed premises; and  
8 (10) May allow minors, who are accompanied by a parent or  
9 legal guardian of legal drinking age, on the  
10 licensee's premises."

11 SECTION 3. Statutory material to be repealed is bracketed  
12 and stricken. New statutory material is underscored.

**13** SECTION 4. This Act shall take effect upon its approval.

1

INTRODUCED BY:

Jay Lust



# H.B. NO. 2535

**Report Title:**

Liquor Licensing; Small Craft Producer Pub; Manufacturing Limits; Recyclable Containers; Increase

**Description:**

Authorizes an increase in the volume of manufactured alcoholic beverages permissible under a small craft producer pub license. Increases the amount of alcohol manufactured on small craft producer pub licensees' premises that may be sold in recyclable containers.

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

