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# A BILL FOR AN ACT

RELATING TO LIQUOR.

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

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PART I

SECTION 1. The legislature finds that some of the requirements for a temporary liquor license in the county of Maui are oppressively burdensome without providing any public benefit. A temporary liquor license, known as a class 10 special license, allows a nonprofit group, political candidate, or political party to serve alcohol at a fundraising event lasting no longer than three days. Among the onerous requirements that are only imposed in the county of Maui are the requirements to submit the special license application in person and provide a handwritten signature on the application. The applicant must also obtain various separate departmental clearances and produce detailed illustrative materials that are duplicative of existing enforcement mechanisms. In addition, if the applicant holds the fundraising event at a location involving multiple parcels with separate tax map key numbers, such as many golf courses, the applicant must submit a separate



1 application for each parcel, despite the event occurring in what  
2 is otherwise a single location. Many of these requirements do  
3 not apply to comparable temporary liquor licenses in other  
4 counties.

5 The legislature believes that these requirements discourage  
6 community organizations from hosting fundraisers, are not  
7 necessary for the effective regulation of a temporary event, and  
8 may encourage community organizations to hold their fundraisers  
9 without obtaining a liquor license.

10 Accordingly, the purpose of this part is to:

11 (1) Clarify that class 10 special licenses may be granted  
12 for a period not to exceed three days per application;  
13 and

14 (2) Streamline the class 10 special license application  
15 process to reduce fundraising costs in a manner that  
16 maintains public safety and the protection of event  
17 participants.

18 SECTION 2. Section 281-31, Hawaii Revised Statutes, is  
19 amended by amending subsection (j) to read as follows:

20 "(j) Class 10. Special license.



1           (1) A special license may be granted for the sale of  
2           liquor for a period not to exceed three days [~~and~~  
3           ~~pursuant to commission rule may be approved by the~~  
4           ~~administrator for~~] per application. Special licenses  
5           for certain fundraising events by nonprofit  
6           organizations, political candidates, and political  
7           parties; provided that any registered educational or  
8           charitable nonprofit organization may sell liquors in  
9           their original packages for off-premises consumption;  
10          provided further that any social club granted  
11          tax-exempt status pursuant to section 501(c)(7) of the  
12          Internal Revenue Code of 1986, as amended, may sell  
13          wine from the social club's inventory to the club's  
14          members for off-premises consumption. Of this class,  
15          there shall be the following kinds:  
16          (A) General (includes all liquor except alcohol);  
17          (B) Beer and wine; and  
18          (C) Beer.  
19          Liquor sold under a class 10 license shall be consumed  
20          on the premises.



- 1 (2) Notwithstanding any other section of this chapter to  
2 the contrary, the commission shall waive any hearings,  
3 fees, notarization of documents, submission of floor  
4 plans and other governmental clearances, and other  
5 requirements for the issuance of a class 10 license.  
6 The class 10 license granted under this subsection for  
7 a fundraising event shall include the ability to  
8 auction off, at a live or silent auction, liquor in  
9 sealed or covered glass, ceramic, or metal containers  
10 or services that provide liquor. No criminal history  
11 record check under section 281-53.5 or 846-2.7 or any  
12 other section of this chapter shall be required. The  
13 commission may require proof of liquor liability  
14 insurance for the fundraising event and a current list  
15 of officers and directors if the applicant is a  
16 nonprofit organization.
- 17 (3) Notwithstanding any other section of this chapter to  
18 the contrary, in any county with a population of fewer  
19 than two hundred thousand residents but more than one  
20 hundred thousand residents, an application for a class  
21 10 license:



- 1           (A) May be submitted electronically and, if submitted
- 2           electronically, the inclusion of an electronic
- 3           signature shall satisfy any requirement for a
- 4           physical, handwritten signature or other
- 5           signature;
- 6           (B) May include an applicant's first and last name in
- 7           satisfaction of any requirement for the
- 8           submission of the applicant's full name;
- 9           (C) May be applicable to two or more adjacent parcels
- 10           of land; provided that all parcels of land are
- 11           controlled by the same entity; and
- 12           (D) Shall not be conditioned upon the submission,
- 13           approval, or completion of any visual renderings,
- 14           illustrative materials, fire-related clearances,
- 15           safety inspections, or miscellaneous inspections
- 16           conducted by any other county department or
- 17           agency.
- 18           An application under this subsection shall be
- 19           sufficient if it satisfies all of the requirements of
- 20           this subsection. No county or county liquor
- 21           commission shall require, request, or condition the



1           The legislature further finds that enhancing educational  
2 efforts regarding responsible drinking, the risks associated  
3 with alcohol misuse, and the promotion of healthy lifestyle  
4 choices is vital to ensuring a safer future for our youth and  
5 community.

6           Accordingly, the purpose of this part is to increase the  
7 maximum percentage of fines assessed by county liquor  
8 commissions that may be used to fund public liquor-related  
9 educational or enforcement programs.

10           SECTION 4. Section 281-17, Hawaii Revised Statutes, is  
11 amended by amending subsection (a) to read as follows:

12           "(a) The liquor commission, within its own county, shall  
13 have the jurisdiction, power, authority, and discretion, subject  
14 only to this chapter:

15           (1) To grant, refuse, suspend, and revoke any license for  
16 the manufacture, importation, and sale of liquors;

17           (2) To take appropriate action against a person who,  
18 directly or indirectly, manufactures, sells, or  
19 purchases any liquor without being authorized pursuant  
20 to this chapter; provided that in counties that have  
21 established by charter a liquor control adjudication



1 board, the board shall have the jurisdiction, power,  
2 authority, and discretion to hear and determine  
3 administrative complaints of the director regarding  
4 violations of the liquor laws of the State or of the  
5 rules of the liquor commission, and impose penalties  
6 for violations thereof as may be provided by law;

7 (3) To control, supervise, and regulate the manufacture,  
8 importation, and sale of liquors by investigation,  
9 enforcement, and education; provided that any  
10 educational program shall be limited to the commission  
11 staff, commissioners, liquor control adjudication  
12 board members, and licensees and their employees, and  
13 shall be financed through the money collected from the  
14 assessment of fines against licensees; provided  
15 further that fine moneys, not to exceed [~~ten~~] twenty  
16 per cent a year of fines accumulated, may be used to  
17 fund public liquor-related educational or enforcement  
18 programs;

19 (4) From time to time to make, amend, and repeal rules,  
20 not inconsistent with this chapter, as in the judgment  
21 of the commission are deemed appropriate for carrying



1 out this chapter and for the efficient administration  
2 thereof, and the proper conduct of the business of all  
3 licensees, including every matter or thing required to  
4 be done or [~~which~~] that may be done with the approval  
5 or consent, by order, under the direction or  
6 supervision of, or as prescribed by the commission;  
7 which rules, when adopted as provided in chapter 91  
8 shall have the force and effect of law;

- 9 (5) Subject to chapter 76, to appoint and remove an  
10 administrator, who may also be appointed an  
11 investigator and who shall be responsible for the  
12 operations and activities of the staff. The  
13 administrator may hire and remove hearing officers,  
14 investigators, and clerical or other assistants as its  
15 business may from time to time require, prescribe  
16 their duties and fix their compensation, and engage  
17 the services of experts and persons engaged in the  
18 practice of a profession, if deemed expedient. Every  
19 investigator, within the scope of the investigator's  
20 duties, shall have the powers of a police officer;



- 1           (6) To limit the number of licenses of any class or kind  
2           within the county, or the number of licenses of any  
3           class or kind to do business in any given locality,  
4           when in the judgment of the commission [~~such~~] the  
5           limitations are in the public interest;
- 6           (7) To prescribe the nature of the proof to be furnished,  
7           the notices to be given, and the conditions to be met  
8           or observed in case of the issuance of a duplicate  
9           license in place of one alleged to have been lost or  
10          destroyed, including a requirement of any indemnity  
11          deemed appropriate to the case;
- 12          (8) To fix the hours between which licensed premises of  
13          any class or classes may regularly be open for the  
14          transaction of business, which shall be uniform  
15          throughout the county as to each class respectively;
- 16          (9) To prescribe all forms to be used for the purposes of  
17          this chapter not otherwise provided for in this  
18          chapter, and the character and manner of keeping of  
19          books, records, and accounts to be kept by licensees  
20          in any matter pertaining to their business;

- 1           (10) To investigate violations of this chapter and,  
2                    notwithstanding any law to the contrary, violations of  
3                    the applicable department of health's allowable noise  
4                    levels, through its investigators or otherwise, to  
5                    include covert operations, and to report violations to  
6                    the prosecuting officer for prosecution where  
7                    appropriate. Investigations of violations of chapter  
8                    244D shall be referred to the director of taxation to  
9                    hear and determine complaints against any licensee;
- 10           (11) To prescribe, by rule, the terms, conditions, and  
11                    circumstances under which persons or any class of  
12                    persons may be employed by holders of licenses;
- 13           (12) To prescribe, by rule, the term of any license or  
14                    solicitor's and representative's permit authorized by  
15                    this chapter, the annual or prorated amount, the  
16                    manner of payment of fees for the licenses and  
17                    permits, and the amount of filing fees;
- 18           (13) To prescribe, by rule, regulations on dancing in  
19                    licensed premises; and



1 (14) To prescribe, by rule, the circumstances and penalty  
2 for the unauthorized manufacturing or selling of any  
3 liquor."

4 PART III

5 SECTION 5. Statutory material to be repealed is bracketed  
6 and stricken. New statutory material is underscored.

7 SECTION 6. This Act shall take effect on March 22, 2075.



**Report Title:**

Intoxicating Liquor; Liquor License; Class 10 Special License;  
Liquor Commission; Fines; Educational and Enforcement Programs

**Description:**

Part I: Clarifies that class 10 special licenses may be granted for a period not to exceed three days per application. In counties with fewer than two hundred thousand residents but more than one hundred thousand residents, amends application requirements for class 10 special licenses, including requirements related to electronic submission, naming, and single applications for certain adjacent parcels of land, and prohibits the conditional acceptance of applications based on certain factors. Part II: Increases the maximum percentage of fines assessed by county liquor commissions that may be used to fund public liquor-related educational or enforcement programs. Effective 3/22/2075. (HD1)

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

