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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

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SECTION 1. The legislature finds that some of the

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requirements for a temporary liquor license in the county of

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Maui are oppressively burdensome without providing any public

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benefit. A temporary liquor license, known as a class 10

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special license, allows a nonprofit group, political candidate,

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or political party to serve alcohol at a fundraising event

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lasting no longer than three days. Among the onerous

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requirements that are only imposed in the county of Maui are the

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requirements to submit the special license application in person

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and to provide a handwritten signature on the application. The

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applicant must also obtain various separate departmental

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clearances and produce detailed illustrative materials that are

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duplicative of existing enforcement mechanisms. In addition, if

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the applicant holds the fundraising event at a location

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involving multiple parcels with separate tax map key numbers,

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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 streamline the  
11 class 10 special license application process to reduce  
12 fundraising costs in a manner that maintains public safety and  
13 the protection of event participants.

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

16 "(j) Class 10. Special license.

17 (1) A special license may be granted for the sale of  
18 liquor for a period not to exceed three days and  
19 pursuant to commission rule may be approved by the  
20 administrator for fundraising events by nonprofit  
21 organizations, political candidates, and political



1 parties; provided that any registered educational or  
2 charitable nonprofit organization may sell liquors in  
3 their original packages for off-premises consumption;  
4 provided further that any social club granted  
5 tax-exempt status pursuant to section 501(c)(7) of the  
6 Internal Revenue Code of 1986, as amended, may sell  
7 wine from the social club's inventory to the club's  
8 members for off-premises consumption. Of this class,  
9 there shall be the following kinds:

- 10 (A) General (includes all liquor except alcohol);  
11 (B) Beer and wine; and  
12 (C) Beer.

13 Liquor sold under a class 10 license shall be consumed  
14 on the premises.

- 15 (2) Notwithstanding any other section of this chapter to  
16 the contrary, the commission shall waive any hearings,  
17 fees, notarization of documents, submission of floor  
18 plans and other governmental clearances, and other  
19 requirements for the issuance of a class 10 license.  
20 The class 10 license granted under this subsection for  
21 a fundraising event shall include the ability to



1 auction off, at a live or silent auction, liquor in  
2 sealed or covered glass, ceramic, or metal containers  
3 or services that provide liquor. No criminal history  
4 record check under section 281-53.5 or 846-2.7 or any  
5 other section of this chapter shall be required. The  
6 commission may require proof of liquor liability  
7 insurance for the fundraising event and a current list  
8 of officers and directors if the applicant is a  
9 nonprofit organization.

10 (3) Notwithstanding any other section of this chapter to  
11 the contrary, in any county with a population of fewer  
12 than two hundred thousand residents but more than one  
13 hundred thousand residents, an application for a class  
14 10 license:

15 (A) May be submitted electronically and, if submitted  
16 electronically, the inclusion of an electronic  
17 signature shall satisfy any requirement for a  
18 physical, handwritten signature or other  
19 signature;



1           (B) May include an applicant's first and last name in  
2           satisfaction of any requirement for the  
3           submission of the applicant's full name;

4           (C) May be applicable to two or more adjacent parcels  
5           of land; provided that all parcels of land are  
6           controlled by the same entity; and

7           (D) Shall not be conditioned upon the submission,  
8           approval, or completion of any visual renderings,  
9           illustrative materials, fire-related clearances,  
10           safety inspections, or miscellaneous inspections  
11           conducted by any other county department or  
12           agency.

13           An application under this subsection shall be  
14           sufficient if it satisfies all of the requirements  
15           specified under this subsection. No county or county  
16           liquor commission shall require, request, or condition  
17           the issuance of a class 10 license upon compliance  
18           with any other approval, clearance, inspection,  
19           certification, or condition not expressly required by  
20           this subsection. Nothing in this subsection shall be  
21           construed to limit the authority of a county to





1           Accordingly, the purpose of this part is to increase the  
2 percentage of fines assessed by county liquor commissions that  
3 may be used to fund public liquor-related educational or  
4 enforcement programs.

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

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

- 10           (1) To grant, refuse, suspend, and revoke any license for  
11           the manufacture, importation, and sale of liquors;
- 12           (2) To take appropriate action against a person who,  
13           directly or indirectly, manufactures, sells, or  
14           purchases any liquor without being authorized pursuant  
15           to this chapter; provided that in counties that have  
16           established by charter a liquor control adjudication  
17           board, the board shall have the jurisdiction, power,  
18           authority, and discretion to hear and determine  
19           administrative complaints of the director regarding  
20           violations of the liquor laws of the State or of the



1 rules of the liquor commission, and impose penalties  
2 for violations thereof as may be provided by law;

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

15 (4) From time to time to make, amend, and repeal rules,  
16 not inconsistent with this chapter, as in the judgment  
17 of the commission are deemed appropriate for carrying  
18 out this chapter and for the efficient administration  
19 thereof, and the proper conduct of the business of all  
20 licensees, including every matter or thing required to  
21 be done or [~~which~~] that may be done with the approval



1 or consent, by order, under the direction or  
2 supervision of, or as prescribed by the commission;  
3 which rules, when adopted as provided in chapter 91  
4 shall have the force and effect of law;

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

17 (6) To limit the number of licenses of any class or kind  
18 within the county, or the number of licenses of any  
19 class or kind to do business in any given locality,  
20 when in the judgment of the commission [~~such~~] the  
21 limitations are in the public interest;



- 1           (7) To prescribe the nature of the proof to be furnished,  
2           the notices to be given, and the conditions to be met  
3           or observed in case of the issuance of a duplicate  
4           license in place of one alleged to have been lost or  
5           destroyed, including a requirement of any indemnity  
6           deemed appropriate to the case;
- 7           (8) To fix the hours between which licensed premises of  
8           any class or classes may regularly be open for the  
9           transaction of business, which shall be uniform  
10          throughout the county as to each class respectively;
- 11          (9) To prescribe all forms to be used for the purposes of  
12          this chapter not otherwise provided for in this  
13          chapter, and the character and manner of keeping of  
14          books, records, and accounts to be kept by licensees  
15          in any matter pertaining to their business;
- 16          (10) To investigate violations of this chapter and,  
17          notwithstanding any law to the contrary, violations of  
18          the applicable department of health's allowable noise  
19          levels, through its investigators or otherwise, to  
20          include covert operations, and to report violations to  
21          the prosecuting officer for prosecution where



- 1 appropriate. Investigations of violations of chapter  
2 244D shall be referred to the director of taxation to  
3 hear and determine complaints against any licensee;
- 4 (11) To prescribe, by rule, the terms, conditions, and  
5 circumstances under which persons or any class of  
6 persons may be employed by holders of licenses;
- 7 (12) To prescribe, by rule, the term of any license or  
8 solicitor's and representative's permit authorized by  
9 this chapter, the annual or prorated amount, the  
10 manner of payment of fees for the licenses and  
11 permits, and the amount of filing fees;
- 12 (13) To prescribe, by rule, regulations on dancing in  
13 licensed premises; and
- 14 (14) To prescribe, by rule, the circumstances and penalty  
15 for the unauthorized manufacturing or selling of any  
16 liquor."

17 PART III

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

20 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: In counties of fewer than 200,000 residents, but more than 100,000 residents, exempts the three-day temporary liquor licenses for fundraising events, known as class 10 special licenses, from any requirement to obtain fire-related clearances. Allows applications for class 10 special licenses to be submitted electronically and for a single application to apply any fundraising event that spans multiple parcels of land owned by the same entity. Part II: Increases the percentage of fines assessed by all county liquor commissions that may be used to fund public liquor-related educational or enforcement programs. Effective 3/22/2075. (SD1)

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

