
A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1 SECTION 1. The legislature finds that the current system
2 for direct shipment of alcohol is not applied equally across all
3 producers. Existing law only allows for the direct shipment of
4 wine by wineries but not small breweries and small distilleries.
5 Allowing the direct shipment of beer and distilled spirits will
6 create equal opportunities for brewers and distillers as those
7 for wineries.

8 Accordingly, the purpose of this Act is to:

- 9 (1) Allow direct shipment of beer and distilled spirits by
10 certain licensees; and
11 (2) Require the liquor commission of each county to adopt
12 rules and regulations.

13 SECTION 2. Chapter 281, Hawaii Revised Statutes, is
14 amended by adding a new section to part III to be appropriately
15 designated and to read as follows:

16 "§281- Direct shipment of beer and distilled spirits by
17 manufacturers. (a) Any person holding:



1 (1) A general excise tax license from the department of
2 taxation; and

3 (2) Either:

4 (A) A class 1, class 14, or class 18 license to
5 manufacture beer or distilled spirits under
6 section 281-31; or

7 (B) A license to manufacture beer or distilled
8 spirits issued by another state,

9 may pay any applicable fees and obtain a direct beer and
10 distilled spirits shipper permit from the liquor commission of
11 the county to which the beer or distilled spirits will be
12 shipped that authorizes the holder to directly ship beer and
13 distilled spirits to persons in the county pursuant to this
14 section.

15 (b) The holder of the direct beer and distilled spirits
16 shipper permit may sell and ship beer and distilled spirits to
17 any person twenty-one years of age or older in the county that
18 issued the permit for personal use only and not for resale, and
19 shall:



- 1 (1) Ship beer and distilled spirits directly to the person
2 only in containers that are conspicuously labeled with
3 the words:
4 "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS
5 OR OLDER REQUIRED FOR DELIVERY.";
6 (2) Require that the carrier of the shipment obtain the
7 signature of any person twenty-one years of age or
8 older before delivering the shipment;
9 (3) Ship not more than twenty-four two and one quarter
10 gallon cases of beer and not more than six nine-liter
11 cases of distilled spirits to any household per year;
12 (4) Report no later than January 31 of each year, to the
13 liquor commission in each county where a direct beer
14 and distilled spirits shipper permit is held, the
15 total amount of beer and distilled spirits shipped to
16 persons in that county during the preceding calendar
17 year;
18 (5) Pay all applicable general excise and gallonage taxes.
19 For gallonage tax purposes, all beer and distilled
20 spirits sold under a direct beer and distilled spirits



1 shipper permit shall be deemed to be beer and
2 distilled spirits sold in the State; and
3 (6) Be subject to audit by the liquor commission of each
4 county in which a direct beer and distilled spirits
5 shipper permit is held.

6 (c) The holder of a license to manufacture beer or
7 distilled spirits issued by another state may annually renew a
8 direct beer and distilled spirits shipper permit by providing
9 the liquor commission that issued the permit with a copy of the
10 license and paying all required fees. The holder of a class 1,
11 class 14, or class 18 license under section 281-31 may renew a
12 direct beer and distilled spirits shipper permit concurrently
13 with the applicable license by complying with all applicable
14 laws and paying all required fees.

15 (d) The sale and shipment of beer and distilled spirits
16 directly to a person in the State by a person that does not
17 possess a valid direct beer and distilled spirits shipper permit
18 is prohibited. Knowingly violating this section is a
19 misdemeanor.

20 (e) The liquor commission in each county shall adopt rules
21 necessary to carry out the intent and purpose of this section;



1 provided that the liquor commission in each county shall ensure
2 that the liquor commission's respective rulemaking actions do
3 not interfere with, or unduly delay, the implementation of this
4 section.

5 (f) For the purposes of this section:

6 "Beer" has the same meaning as defined in section 244D-1.

7 "Distilled spirits" has the same meaning as defined in
8 section 244D-1."

9 SECTION 3. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on July 1, 2050.



S.B. NO. 2911
S.D. 1

Report Title:

Beer; Distilled Spirits; Direct Shipping; Manufacturers

Description:

Allows direct shipment of beer and distilled spirits by certain licensees. Requires the liquor commission of each county to adopt rules and regulations. Effective 7/1/2050. (SD1)

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