

ACT 252

S.B. NO. 539

A Bill for an Act Relating to Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Findings and purpose. The legislature finds that certain liquor licensees in certain counties are bearing a disproportionate share of the costs and expenses of liquor regulation and that certain liquor commissions hold surplus funds resulting from the enforcement of existing liquor license fee structures. The purpose of this Act is to require all liquor license fees to bear a direct and proportionate relationship to a commission's costs and expenses and require refunds or credits of excess funds.

SECTION 2. Section 281-17.5, Hawaii Revised Statutes, is amended to read as follows:

“[[§281-17.5]] Fees; justified, method of ~~change~~.l. limitation. (a) Any liquor license fee [created by any liquor commission] or any increase in an existing liquor license fee sought to be implemented by any commission shall have, as its justification, a direct and proportionate relationship to [an increase in] costs and expenses of the commission in its control, supervision, or regulation of the manufacture, importation, and sale of liquors, or otherwise directly relate to actual costs and expenses of administration of the commission as is set forth in this chapter.

(b) Any such liquor license fees collected or received by any liquor commission under this chapter may only be used for costs and expenses directly relating to operational and administrative costs actually incurred by the liquor commission collecting or receiving such liquor license fees. Such fees shall not be used for any costs or expenses other than those directly relating to its operation and administration.

(c) Any [change] increase in the liquor license fee structure shall only be initiated by the liquor commission seeking the change with the approval of the county's legislative body and mayor.

(d) Any liquor commission seeking a change in liquor license fee structure shall notify all licensees under this chapter affected by the change of the proposed change and shall notify each such licensee of the outcome and resolution of the change.

(e) Any liquor commission which currently receives a license fee from a licensee in excess of the amount prescribed by this section shall immediately revise its liquor license fee structure to conform with the requirements of this section. Effective July 2, 1988, any excess funds shall be returned or credited annually to existing licensees.”

SECTION 3. Statutory material to be repealed is bracketed. New statutory material is underscored.

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

(Approved June 24, 1987.)