

ACT 227

H.B. NO. 770

A Bill for an Act Relating to Intoxicating Liquor.

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

SECTION 1. Section 281-31, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (c) to read:

“(c) Class 2. Restaurant license.

- (1) A license under this class shall authorize the licensee to sell liquor specified in this subsection for consumption on the premises; provided that a restaurant licensee, with commission approval, may provide off-premises catering of food and liquor; provided further that the catering activity shall be directly related to the licensee’s operation as a restaurant. A license under this class shall also authorize the licensee to sell beer, malt beverages, or cider for off-premises consumption; provided that the licensee has the appropriate kind of license pursuant to paragraph (3); and provided further that the beer, malt beverage, or cider is sold in a securely sealed or covered glass, ceramic, or metal container that is sold to or provided by the patron, and each sealed or covered glass, ceramic, or metal container does not exceed a maximum capacity of one-half gallon. A licensee under this class shall be issued a license according to the category of establishment the licensee owns or operates. The categories of establishment shall be as follows:
- (A) A standard bar; or
- (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules.

- (2) If a licensee under class 2 desires to change the category of establishment the licensee owns or operates, the licensee shall apply for a new license applicable to the category of the licensee's establishment.
- (3) Of this class, there shall be the following kinds:
 - (A) General (includes all liquor except alcohol);
 - (B) Beer and wine; and
 - (C) Beer.

Notwithstanding section 281-57, the commission may approve at one public hearing and without notice the change to a class 2 restaurant license of a licensee holding a class 5 dispenser license who meets the requirements of a class 2 license."

2. By amending subsection (e) to read:

"(e) Class 4. Retail dealer license. A license to sell liquor at retail or to class 10 licensees shall authorize the licensee to sell the liquor therein specified in their original packages. A license under this class shall also authorize the licensee to sell beer, malt beverages, or cider in non-original packages; provided that the beer, malt beverage, or cider is sold in a securely sealed or covered glass, ceramic, or metal container that is sold to or provided by the patron, and each sealed or covered glass, ceramic, or metal container does not exceed a maximum capacity of one half-gallon. Under a class 4 license, no liquor shall be consumed on the premises except as authorized by the commission. Of this class, there shall be the following kinds:

- (1) General (includes all liquor except alcohol);
- (2) Beer and wine; and
- (3) Alcohol."

3. By amending subsection (n) to read:

"(n) Class 14. Brewpub license. A brewpub licensee:

- (1) May sell malt beverages manufactured on the licensee's premises for consumption on the premises;
- (2) May sell malt beverages manufactured by the licensee in brewery-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
- (3) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
- (4) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises to consumers in brewery-sealed kegs and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a glass, ceramic, or metal container, not to exceed one half-gallon, which shall be securely sealed;
- (5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises in recyclable containers provided by the licensee or by the consumer which do not exceed one gallon per container and are securely sealed on the licensee's premises to consumers for off-premises consumption;

- (6) Shall comply with all regulations pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages;
 - (7) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises in brewery-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county regulations governing class 1 manufacturer licensees and class 3 wholesale dealer licensees; and
 - (8) May conduct the activities under paragraphs (1) to (7) at one location other than the licensee's premises; provided that:
 - (A) The manufacturing takes place in Hawaii; and
 - (B) The other location is properly licensed under the same ownership."
4. By amending subsection (r) to read:
- "(r) Class 18. Small craft producer pub license. A small craft producer pub licensee:
- (1) Shall manufacture not more than:
 - (A) Sixty thousand barrels of malt beverages;
 - (B) Twenty thousand barrels of wine; or
 - (C) Seven thousand five hundred barrels of alcohol on the licensee's premises during the license year; provided that for purposes of this paragraph, "barrel" means a container not exceeding thirty-one gallons or wine gallons of liquor;
 - (2) May sell malt beverages, wine, or alcohol manufactured on the licensee's premises for consumption on the premises;
 - (3) May sell malt beverages, wine, or alcohol manufactured by the licensee in producer-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
 - (4) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
 - (5) May, subject to federal labeling and bottling requirements, sell malt beverages manufactured on the licensee's premises to consumers in producer-sealed kegs and sell malt beverages manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a glass, ceramic, or metal container, not to exceed one half-gallon, which shall be securely sealed;
 - (6) May, subject to federal labeling and bottling requirements, sell malt beverages, wine, or alcohol manufactured on the licensee's premises

in recyclable containers provided by the licensee or by the consumer which do not exceed:

- (A) One gallon per container for malt beverages and wine; and
 - (B) One liter for alcohol; and
- are securely sealed on the licensee's premises to consumers for off-premises consumption;
- (7) Shall comply with all regulations pertaining to class 4 retail dealer licenses when engaging in the retail sale of malt beverages, wine, and alcohol;
 - (8) May, subject to federal labeling and bottling requirements, sell malt beverages, wine, and alcohol manufactured on the licensee's premises in producer-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county regulations governing class 1 manufacturer licensees and class 3 wholesale dealer licensees; and
 - (9) May conduct the activities under paragraphs (1) to (8) at one location other than the licensee's premises; provided that:
 - (A) The manufacturing takes place in Hawaii; and
 - (B) The other location is properly licensed under the same ownership."

SECTION 2. This Act does not affect rights and duties that matured, penalties that were incurred, and proceedings that were begun before its effective date.

SECTION 3. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2015.

(Approved July 13, 2015.)