
A BILL FOR AN ACT

RELATING TO LIQUOR LICENSE CLASSES.

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

- 1 SECTION 1. The purpose of this Act is to:
- 2 (1) Remove the requirement that a class 14 brewpub
- 3 licensee manufacture not more than thirty thousand
- 4 barrels of malt beverages on the licensee's premises
- 5 during the license year;
- 6 (2) Prohibit brewpub and small craft producer pub
- 7 licensees from selling intoxicating liquor purchased
- 8 from a class 1 manufacturer licensee for consumption
- 9 on the premises;
- 10 (3) Amend the requirement that a class 16 winery licensee
- 11 manufacture not more than twenty thousand, instead of
- 12 ten thousand, barrels of wine on the licensee's
- 13 premises during the license year;
- 14 (4) Establish a new class 18 liquor license class for
- 15 small craft producer pubs; and
- 16 (5) Make conforming amendments relating to liquor license
- 17 classes.



1 SECTION 2. Section 281-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "retail licensee" to read
3 as follows:

4 "Retail licensee" means any licensee holding a class 2,
5 [~~e~~] class 4 through class 16, or class 18 license."

6 SECTION 3. Section 281-31, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "§281-31 Licenses, classes. (a) Licenses may be granted
9 by the liquor commission as provided in this section.

10 (b) Class 1. Manufacturer license. A license for the
11 manufacture of liquor shall authorize the licensee to:

- 12 (1) Manufacture the liquor therein specified;
13 (2) Sell it in original packages to any wholesaler who
14 holds a license to resell it; and
15 (3) Sell beer, wine, or other specified liquor
16 manufactured or distilled on the licensee's premises
17 from fruits or other products grown in the State, in
18 any quantity:

19 (A) At wholesale in original packages to any person
20 who holds a license to resell it; and

21 (B) To any person for private use and consumption.



1 Under this license, no liquor shall be consumed on the
2 premises, except as authorized by the commission. Of this
3 class, there shall be the following kinds:

- 4 (1) Beer;
- 5 (2) Wine;
- 6 (3) Alcohol; and
- 7 (4) Other specified liquor.

8 It shall be unlawful for any holder of a manufacturer
9 license to have any interest whatsoever in the license or
10 licensed premises of any other licensee. This subsection shall
11 not prevent the holder of a manufacturer license under this
12 chapter or under the law of another jurisdiction from
13 maintaining any interest in the license or licensed premises of
14 a wholesale dealer licensee under this chapter.

15 (c) Class 2. Restaurant license.

16 (1) A license under this class shall authorize the
17 licensee to sell liquor specified in this subsection
18 for consumption on the premises; provided that a
19 restaurant licensee, with commission approval, may
20 provide off-premises catering of food and liquor;
21 provided further that the catering activity shall be
22 directly related to the licensee's operation as a



1 restaurant. A licensee under this class shall be
2 issued a license according to the category of
3 establishment the licensee owns or operates. The
4 categories of establishment shall be as follows:

5 (A) A standard bar; or

6 (B) Premises in which live entertainment or recorded
7 music is provided. Facilities for dancing by the
8 patrons may be permitted as provided by
9 commission rules.

10 (2) If a licensee under class 2 desires to change the
11 category of establishment the licensee owns or
12 operates, the licensee shall apply for a new license
13 applicable to the category of the licensee's
14 establishment.

15 (3) Of this class, there shall be the following kinds:

16 (A) General (includes all liquor except alcohol);

17 (B) Beer and wine; and

18 (C) Beer.

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



1 (d) Class 3. Wholesale dealer license. A license for the
2 sale of liquor at wholesale shall authorize the licensee to
3 import and sell only to licensees or to others who are by law
4 authorized to resell the liquor specified by the license but are
5 not by law required to hold a license; provided that a class 3
6 licensee may sell samples of liquor back to the manufacturer.
7 Under a class 3 license, no liquor shall be consumed on the
8 premises except as authorized by the commission. Of this class,
9 there shall be the following kinds:

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

13 If any wholesale dealer solicits or takes any orders in any
14 county other than that where the dealer's place of business is
15 located, the orders may be filled only by shipment direct from
16 the county in which the wholesale dealer holds the dealer
17 license. Nothing in this subsection shall prevent a wholesaler
18 from selling liquor to post exchanges, ships' service stores,
19 army or navy officers' clubs, or similar organizations located
20 on army or navy reservations, or to any vessel other than
21 vessels performing a regular water transportation service
22 between any two or more ports in the State, or to aviation



1 companies who operate an aerial transportation enterprise
2 subject to chapter 269 and engaged in regular flight passenger
3 services between any two or more airports in the State for use
4 on aircraft, or aviation companies engaged in transpacific
5 flight operations for use on aircraft outside the jurisdiction
6 of the State.

7 (e) Class 4. Retail dealer license. A license to sell
8 liquor at retail or to class 10 licensees shall authorize the
9 licensee to sell the liquor therein specified in their original
10 packages. Under a class 4 license, no liquor shall be consumed
11 on the premises except as authorized by the commission. Of this
12 class, there shall be the following kinds:

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

16 (f) Class 5. Dispenser license.

17 (1) A license under this class shall authorize the
18 licensee to sell liquor specified in this subsection
19 for consumption on the premises. A licensee under
20 this class shall be issued a license according to the
21 category of establishment the licensee owns or



1 operates. The categories of establishments shall be
2 as follows:

3 (A) A standard bar;

4 (B) Premises in which a person performs or entertains
5 unclothed or in attire restricted to use by
6 entertainers pursuant to commission rules;

7 (C) Premises in which live entertainment or recorded
8 music is provided; provided that facilities for
9 dancing by the patrons may be permitted as
10 provided by commission rules; or

11 (D) Premises in which employees or entertainers are
12 compensated to sit with patrons, regardless of
13 whether the employees or entertainers are
14 consuming nonalcoholic beverages while in the
15 company of the patrons pursuant to commission
16 rules.

17 (2) If a licensee under class 5 desires to change the
18 category of establishment the licensee owns or
19 operates, the licensee shall apply for a new license
20 applicable to the category of the licensee's
21 establishment.

22 (3) Of this class, there shall be the following kinds:



1 (A) General (includes all liquor except alcohol);

2 (B) Beer and wine; and

3 (C) Beer.

4 (g) Class 6. Club license. A club license shall be
5 general only but shall exclude alcohol and shall authorize the
6 licensee to sell liquor to members of the club and to guests of
7 the club enjoying the privileges of membership for consumption
8 only on the premises kept and operated by the club; provided
9 that the license shall also authorize any club member to keep in
10 the member's private locker on the premises a reasonable
11 quantity of liquor owned by the member for the member's own
12 personal use and not to be sold that may be consumed only on the
13 premises. A club licensee shall be authorized to host
14 charitable functions that are open to the general public only
15 pursuant to commission rules.

16 The categories of establishment shall be as follows:

17 (1) A standard bar; or

18 (2) Premises in which live entertainment or recorded music
19 is provided. Facilities for dancing by the patrons
20 may be permitted as provided by commission rules.

21 (h) Class 8. Transient vessel license. A general license
22 may be granted to the owner of any vessel for the sale of liquor



1 other than alcohol on board the vessel while en route within the
2 jurisdictional limits of the State and within any port of the
3 State. Sales shall be made only for consumption by passengers
4 and their guests on board the vessel. The license shall be
5 issuable in each county where the sales are to be made; provided
6 that the application for the license may be made by any agent
7 representing the owner.

8 (i) Class 9. Tour or cruise vessel license. A general
9 license may be granted to the owner of any tour or cruise vessel
10 for the sale of liquor other than alcohol on board the vessel
11 while in the waters of the State; provided that sales be made
12 only for consumption by passengers on board while the vessel is
13 in operation outside the port or dock of any island of the
14 State, unless otherwise approved by the county where the license
15 has been issued. The license shall be issuable in the county
16 where the home port of the vessel is situated. If, on any
17 vessel for which no license has been obtained under this
18 chapter, any liquor is sold or served within three miles of the
19 shore of any island of the State, it shall constitute a
20 violation of this chapter.

21 The categories of establishment shall be as follows:

22 (1) A standard bar; or



1 (2) Premises in which live entertainment or recorded music
2 is provided. Facilities for dancing by the patrons
3 may be permitted as provided by commission rules.

4 (j) Class 10. Special license. A special license may be
5 granted for the sale of liquor for a period not to exceed three
6 days and pursuant to commission rule may be approved by the
7 administrator for fundraising events by nonprofit organizations,
8 political candidates, and political parties; provided that any
9 registered educational or charitable nonprofit organization may
10 sell liquors in their original packages for off-premises
11 consumption. Of this class, there shall be the following kinds:

12 (1) General (includes all liquor except alcohol);

13 (2) Beer and wine; and

14 (3) Beer.

15 Liquor sold under a class 10 license shall be consumed on the
16 premises.

17 (k) Class 11. Cabaret license. A cabaret license shall
18 be general only but shall exclude alcohol and shall authorize
19 the sale of liquor for consumption on the premises. This
20 license shall be issued only for premises where food is served,
21 facilities for dancing by the patrons including a dance floor
22 are provided, and live or amplified recorded music or



1 professional entertainment except professional entertainment by
2 a person who performs or entertains unclothed is provided for
3 the patrons; provided that professional entertainment by persons
4 who perform or entertain unclothed shall be authorized by:

5 (1) A cabaret license for premises where professional
6 entertainment by persons who perform or entertain
7 unclothed was presented on a regular and consistent
8 basis immediately prior to June 15, 1990; or

9 (2) A cabaret license that, pursuant to rules adopted by
10 the liquor commission, permits professional
11 entertainment by persons who perform or entertain
12 unclothed.

13 A cabaret license under paragraph (1) or (2) authorizing
14 professional entertainment by persons who perform or entertain
15 unclothed shall be transferable through June 30, 2000. A
16 cabaret license under paragraph (1) or (2) authorizing
17 professional entertainment by persons who perform or entertain
18 unclothed shall not be transferable after June 30, 2000, except
19 upon approval by the liquor commission and pursuant to rules
20 adopted by the commission. Notwithstanding any rule of the
21 liquor commission to the contrary, cabarets in resort areas may



1 be opened for the transaction of business until 4 a.m.
2 throughout the entire week.

3 (1) Class 12. Hotel license. A license to sell liquor in
4 a hotel shall authorize the licensee to provide entertainment
5 and dancing on the hotel premises and to sell all liquor except
6 alcohol for consumption on the premises; provided that a hotel
7 licensee, with commission approval, may provide off-premises
8 catering of food and liquor if the catering activity is directly
9 related to the licensee's food service.

10 Procedures such as room service, self-service no-host
11 minibars or similar service in guest rooms, and service at
12 parties in areas that are the property of and contiguous to the
13 hotel are permitted with commission approval.

14 Any licensee who would otherwise fall within the hotel
15 license class but holds a different class of license may be
16 required to apply for a hotel license.

17 If the licensee applies for a change of classification
18 prior to July 30, 1992, the licensee shall not be subject to the
19 requirements of sections 281-52, 281-54, and 281-57 through 281-
20 59.

21 Any licensee holding a class 12 license on May 1, 2007 who
22 would otherwise qualify for a class 15 license may apply to the



1 liquor commission of the county in which the licensee is seeking
2 a change in liquor license for a change to a class 15 license;
3 provided that the licensee shall not be subject to the
4 requirements of section 281-54 and sections 281-57 to 281-60.

5 If a licensee holding a class 12 license on May 1, 2007
6 applies for a change to a class 15 license, the respective
7 liquor commission shall hold a public hearing upon notice. On
8 the day of hearing or any adjournment thereof, the liquor
9 commission shall consider the application, accept all written or
10 oral testimony for or against the application, and render its
11 decision granting or refusing the application. If the
12 application is denied, the class 12 license shall continue in
13 effect in accordance with law.

14 (m) Class 13. Caterer license. A general license may be
15 granted to any applicant who serves food as part of their
16 operation for the sale of liquor other than alcohol while
17 performing food catering functions off the premises.

18 No catering service for the sale of liquor shall be
19 performed off the licensee's premises unless prior written
20 notice of the service has been delivered to the office of the
21 liquor commission of the county concerned. The notice shall
22 state the date, time, and location of the proposed event and



1 shall include a written statement signed by the owner or
2 representative of the property that the function will be subject
3 to the liquor laws and to inspection by investigators.

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

5 ~~[-(1) Shall manufacture not more than thirty thousand~~
6 ~~barrels of malt beverages on the licensee's premises~~
7 ~~during the license year;~~

8 ~~-(2)]~~ (1) May sell malt beverages manufactured on the
9 licensee's premises for consumption on the premises;

10 ~~[-(3)]~~ (2) May sell malt beverages manufactured by the
11 licensee in brewery-sealed packages to class 3
12 wholesale dealer licensees pursuant to conditions
13 imposed by the county by ordinance or rule;

14 ~~[-(4)]~~ (3) May sell intoxicating liquor purchased from a
15 ~~[class 1 manufacturer licensee or a]~~ class 3 wholesale
16 dealer licensee to consumers for consumption on the
17 licensee's premises. The categories of establishments
18 shall be as follows:

19 (A) A standard bar; or

20 (B) Premises in which live entertainment or recorded
21 music is provided. Facilities for dancing by the



1 patrons may be permitted as provided by
2 commission rules;

3 ~~[(5)]~~ (4) May, subject to federal labeling and bottling
4 requirements, sell malt beverages manufactured on the
5 licensee's premises to consumers in brewery-sealed
6 kegs and growlers for off-premises consumption;
7 provided that for purposes of this paragraph,
8 "growler" means a glass or metal container, not to
9 exceed one half-gallon, which shall be securely
10 sealed;

11 ~~[(6)]~~ (5) May, subject to federal labeling and bottling
12 requirements, sell malt beverages manufactured on the
13 licensee's premises in recyclable containers provided
14 by the licensee or by the consumer which do not exceed
15 one gallon per container and are securely sealed on
16 the licensee's premises to consumers for off-premises
17 consumption;

18 ~~[(7)]~~ (6) Shall comply with all regulations pertaining to
19 class 4 retail dealer licensees when engaging in the
20 retail sale of malt beverages;

21 ~~[(8)]~~ (7) May, subject to federal labeling and bottling
22 requirements, sell malt beverages manufactured on the



1 licensee's premises in brewery-sealed containers
2 directly to class 2 restaurant licensees, class 3
3 wholesale dealer licensees, class 4 retail dealer
4 licensees, class 5 dispenser licensees, class 6 club
5 licensees, class 8 transient vessel licensees, class 9
6 tour or cruise vessel licensees, class 10 special
7 licensees, class 11 cabaret licensees, class 12 hotel
8 licensees, class 13 caterer licensees, class 14
9 brewpub licensees, class 15 condominium hotel
10 licensees, class 18 small craft producer pub
11 licensees, and consumers pursuant to conditions
12 imposed by county regulations governing class 1
13 manufacturer licensees and class 3 wholesale dealer
14 licensees; and

15 [~~9~~] (8) May conduct the activities under paragraphs (1)
16 to [~~8~~] (7) at one location other than the licensee's
17 premises; provided that:

18 (A) The manufacturing takes place in Hawaii; and
19 (B) The other location is properly licensed under the
20 same ownership.

21 (o) Class 15. Condominium hotel license. A license to
22 sell liquor in a condominium hotel shall authorize the licensee



1 to provide entertainment and dancing on the condominium hotel
2 premises and to sell all liquor except alcohol for consumption
3 on the premises; provided that a condominium hotel licensee,
4 with commission approval, may provide off-premises catering;
5 provided further that the catering activity is directly related
6 to the licensee's operation as a condominium hotel.

7 Procedures such as room service, self-service no-host
8 minibars or similar service in apartments, and service at
9 private parties in areas that are the property of and contiguous
10 to the condominium hotel are permitted with commission approval.

11 A condominium hotel licensee shall not sell liquor in the
12 manner authorized by a class 4 retail dealer license.

13 Any licensee who would otherwise meet the criteria for the
14 condominium hotel license class but holds a different class of
15 license may be required to apply for a condominium hotel
16 license.

17 (p) Class 16. Winery license. A winery licensee:

18 (1) Shall manufacture not more than [~~ten~~] twenty thousand
19 barrels of wine on the licensee's premises during the
20 license year;

21 (2) May sell wine manufactured on the licensee's premises
22 for consumption on the premises;



- 1 (3) May sell wine manufactured by the licensee in winery-
2 sealed packages to class 3 wholesale dealer licensees
3 pursuant to conditions imposed by the county by
4 ordinance or rule;
- 5 (4) May, subject to federal labeling and bottling
6 requirements, sell wine manufactured on the licensee's
7 premises in winery-sealed kegs and magnums to
8 consumers for off-premises consumption; provided that
9 for purposes of this paragraph, "magnum" means a glass
10 container not to exceed one half-gallon, which may be
11 securely sealed;
- 12 (5) May, subject to federal labeling and bottling
13 requirements, sell wine manufactured on the licensee's
14 premises in recyclable containers provided by the
15 licensee or by the consumer which do not exceed one
16 gallon per container and are securely sealed on the
17 licensee's premises to consumers for off-premises
18 consumption;
- 19 (6) Shall comply with all rules pertaining to class 4
20 retail dealer licensees when engaging in the retail
21 sale of wine; and



1 (7) May sell wine manufactured on the licensee's premises
2 in winery-sealed containers directly to class 2
3 restaurant licensees, class 3 wholesale dealer
4 licensees, class 4 retail dealer licensees, class 5
5 dispenser licensees, class 6 club licensees, class 8
6 transient vessel licensees, class 9 tour or cruise
7 vessel licensees, class 10 special licensees, class 11
8 cabaret licensees, class 12 hotel licensees, class 13
9 caterer licensees, class 14 brewpub licensees, [and]
10 class 15 condominium hotel licensees, and class 18
11 small craft producer pub licensees pursuant to
12 conditions imposed by county planning and public works
13 departments and rules governing class 3 wholesale
14 dealer licensees.

15 (q) Class 17. Bring-your-own-beverage license. In
16 counties having a population in excess of 500,000, there is
17 established a class 17 license; provided that in a county having
18 a population of 500,000 or less, the respective commission may
19 establish a class 17 license to which this subsection shall
20 apply.

21 (1) A general license of this class shall authorize the
22 licensee to permit patrons to bring their own liquors



1 for consumption on the premises between the hours of
2 6:00 a.m. to 2:00 a.m. the following day. A licensee
3 under this class shall be issued a license according
4 to the category of establishment the licensee owns or
5 operates. The categories of establishments shall be
6 as follows:

7 (A) Premises in which recorded music and live
8 entertainment, including karaoke, are provided;
9 or

10 (B) Premises in which recorded music and live
11 entertainment, including karaoke and dancing, are
12 provided.

13 (2) If a licensee under this class desires to change the
14 category of establishment the licensee owns or
15 operates, the licensee shall apply for a new license
16 applicable to the category of the licensee's
17 establishment.

18 (3) A licensee under this class shall not be subject to
19 liquor commission rules relating to percentage fees.

20 (r) Class 18. Small craft producer pub license. A small
21 craft producer pub licensee:

22 (1) Shall manufacture not more than:



- 1 (A) Sixty thousand barrels of malt beverages;
- 2 (B) Twenty thousand barrels of wine; or
- 3 (C) Seven thousand five hundred barrels of alcohol on
4 the licensee's premises during the license year;
5 provided that for purposes of this paragraph, "barrel"
6 means a container not exceeding thirty one gallons or
7 wine gallons of liquor;
- 8 (2) May sell malt beverages, wine, or alcohol manufactured
9 on the licensee's premises for consumption on the
10 premises;
- 11 (3) May sell malt beverages, wine, or alcohol manufactured
12 by the licensee in producer-sealed packages to class 3
13 wholesale dealer licensees pursuant to conditions
14 imposed by the county by ordinance or rule;
- 15 (4) May sell intoxicating liquor purchased from a class 3
16 wholesale dealer licensee to consumers for consumption
17 on the licensee's premises. The categories of
18 establishments shall be as follows:
- 19 (A) A standard bar; or
- 20 (B) Premises in which live entertainment or recorded
21 music is provided. Facilities for dancing by the



1 patrons may be permitted as provided by

2 commission rules;

3 (5) May, subject to federal labeling and bottling

4 requirements, sell malt beverages manufactured on the

5 licensee's premises to consumers in producer-sealed

6 kegs and growlers for off-premises consumption;

7 provided that for purposes of this paragraph,

8 "growler" means a glass or metal container, not to

9 exceed one half-gallon, which shall be securely

10 sealed;

11 (6) May, subject to federal labeling and bottling

12 requirements, sell malt beverages, wine, or alcohol

13 manufactured on the licensee's premises in recyclable

14 containers provided by the licensee or by the consumer

15 which do not exceed:

16 (A) One gallon per container for malt beverages and

17 wine; and

18 (B) One liter for alcohol; and

19 are securely sealed on the licensee's premises to

20 consumers for off-premises consumption;



- 1 (7) Shall comply with all regulations pertaining to class
- 2 4 retail dealer licensees when engaging in the retail
- 3 sale of malt beverages, wine, and alcohol;
- 4 (8) May, subject to federal labeling and bottling
- 5 requirements, sell malt beverages, wine, and alcohol
- 6 manufactured on the licensee's premises in producer-
- 7 sealed containers directly to class 2 restaurant
- 8 licensees, class 3 wholesale dealer licensees, class 4
- 9 retail dealer licensees, class 5 dispenser licensees,
- 10 class 6 club licensees, class 8 transient vessel
- 11 licensees, class 9 tour or cruise vessel licensees,
- 12 class 10 special licensees, class 11 cabaret
- 13 licensees, class 12 hotel licensees, class 13 caterer
- 14 licensees, class 14 brewpub licensees, class 15
- 15 condominium hotel licensees, class 18 small craft
- 16 producer pub licensees, and consumers pursuant to
- 17 conditions imposed by county regulations governing
- 18 class 1 manufacturer licensees and class 3 wholesale
- 19 dealer licensees; and
- 20 (9) May conduct the activities under paragraphs (1) to (8)
- 21 at one location other than the licensee's premises;
- 22 provided that:

- 1 (A) The manufacturing takes place in Hawaii; and
2 (B) The other location is properly licensed under the
3 same ownership.

4 [~~(r)~~] (s) Restaurants, retail dealers, dispensers, clubs,
5 cabarets, hotels, caterers, brewpubs, condominium hotels, [~~and~~]
6 bring-your-own-beverage establishments, and small craft producer
7 pubs licensed under class 2, class 4, class 5, class 6, class
8 11, class 12, class 13, class 14, class 15, [~~and~~] class 17, and
9 class 18 shall maintain at all times liquor liability insurance
10 coverage in an amount not less than \$1,000,000; provided that
11 convenience minimarts holding a class 4 license shall not be
12 required to maintain liquor liability insurance coverage in that
13 amount. Proof of coverage shall be kept on the premises and
14 shall be made available for inspection by the commission at any
15 time during the licensee's regular business hours. In the event
16 of a licensee's failure to obtain or maintain the required
17 coverage, the commission shall refuse to issue or renew a
18 license or shall suspend or terminate the license as
19 appropriate. No license shall be granted, reinstated, or
20 renewed until after the required insurance coverage is obtained.

21 [~~(s)~~] (t) It shall be unlawful for any retail licensee
22 except a class 10 licensee to purchase or acquire liquor from



1 any person other than a wholesaler licensed pursuant to this
2 chapter, except as otherwise provided in this section.

3 ~~[(t)]~~ (u) Any provision to the contrary notwithstanding, a
4 patron may remove from any class of licensed premises any
5 portion of wine, liquor, or beer that was purchased on or
6 brought onto the premises of the licensee engaged in meal
7 service for consumption with a meal; provided that it is
8 recorked or resealed in its original container.

9 ~~[(u)]~~ (v) Sections 281-57 to 281-60 shall not apply to
10 classes 8, 9, 10, and 13."

11 SECTION 4. Section 281-33.6, Hawaii Revised Statutes, is
12 amended as follows:

13 1. By amending subsection (a) to read:

14 "(a) Any person holding:

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

17 (2) Either:

18 (A) A class 1 ~~[e]~~, class 16, or class 18 license to
19 manufacture wine under section 281-31; or

20 (B) A license to manufacture wine issued by another
21 state,



1 may pay any applicable fees and obtain a direct wine shipper
2 permit from the liquor commission of the county to which the
3 wine will be shipped authorizing the holder to directly ship
4 wine to persons in the county pursuant to this section."

5 2. By amending subsection (c) to read:

6 "(c) The holder of a license to manufacture wine issued by
7 another state may annually renew a direct wine shipper permit by
8 providing the liquor commission that issued the permit with a
9 copy of the license and paying all required fees. The holder of
10 a class 1 [~~ex~~], class 16, or class 18 license to manufacture
11 wine under section 281-31 may renew a direct wine shipper permit
12 concurrently with the class 1 license by complying with all
13 applicable laws and paying all required fees."

14 SECTION 5. Section 281-45, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§281-45 No license issued, when.** No license shall be
17 issued under this chapter:

18 (1) To any minor or to any person who has been convicted
19 of a felony and not pardoned, or to any other person
20 not deemed by the commission to be a fit and proper
21 person to have a license; provided that the commission
22 may grant a license under this chapter to a



1 corporation that has been convicted of a felony where
2 the commission finds that the corporation's officers
3 and shareholders of twenty-five per cent or more of
4 outstanding stock are fit and proper persons to have a
5 license;

6 (2) To a corporation the officers and directors of which,
7 or any of them, would be disqualified under paragraph
8 (1) from obtaining the license individually, or a
9 stockholder of which, owning or controlling twenty-
10 five per cent or more of the outstanding capital
11 stock, or to a general partnership, limited
12 partnership, limited liability partnership, or limited
13 liability company whose partner or member holding
14 twenty-five per cent or more interest of which, or any
15 of them would be disqualified under paragraph (1) from
16 obtaining the license individually;

17 (3) Unless the applicant for a license or a renewal of a
18 license, or in the case of a transfer of a license,
19 both the transferor and the transferee, present to the
20 issuing agency a signed certificate from the director
21 of taxation and from the Internal Revenue Service
22 showing that the applicant or the transferor and



1 transferee do not owe the state or federal governments
2 any delinquent taxes, penalties, or interest; or that
3 the applicant, or in the case of a transfer of a
4 license, the transferor or transferee, has entered
5 into an installment plan agreement with the department
6 of taxation and the Internal Revenue Service for the
7 payment of delinquent taxes in installments and that
8 the applicant is or the transferor or transferee is,
9 in the case of a transfer of a license, complying with
10 the installment plan agreement; [~~or~~]

11 (4) To an applicant for a class 2, class 4 except for
12 convenience minimarts, class 5, class 6, class 11,
13 class 12, class 13, class 14, class 15, [~~or~~] class 17,
14 or class 18 license unless the applicant for issuance
15 of a license or renewal of a license, or in the case
16 of a transfer of a license, both the transferor and
17 the transferee, present to the issuing agency proof of
18 liquor liability insurance coverage in an amount of
19 \$1,000,000; or

20 (5) To any applicant who has had any liquor license
21 revoked less than two years previous to the date of



1 the application for any like or other license under
2 this chapter."

3 SECTION 6. Section 281-61, Hawaii Revised Statutes, is
4 amended by amending subsection (c) to read as follows:

5 "(c) The commission or board shall deny renewal of a class
6 2, class 4, class 5, class 6, class 11, class 12, class 13,
7 class 14, class 15, [~~or~~] class 17, or class 18 license if the
8 applicant for renewal fails to present proof of the liquor
9 liability insurance required by section [~~281-31(r)~~] 281-31(s)."

10 SECTION 7. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 8. This Act shall take effect on December 21,
13 2112.



Report Title:

Liquor; Liquor License Classes; Brewpubs; Small Craft Producer Pubs

Description:

Removes thirty-thousand-barrel per year manufacturing cap for malt beverages for class 14 brewpub licensees. Increases the manufacturing limit for class 16 winery licensees to not more than twenty thousand barrels of wine on the licensee's premises during the license year. Establishes a new class 18 liquor license class for small craft producer pubs. Prohibits brewpubs from selling intoxicating liquor from class 1 manufacturer licensees for consumption on the premises. Makes conforming amendments relating to liquor license classes and federal labeling and bottling requirements. Effective December 21, 2112. (SB3042 HD1)

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

