July 13, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on July 13, 2015, the following bill was signed into law:

HB770 HD1 SD1 RELATING TO INTOXICATING LIQUOR
ACT 227 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
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;

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;

Shall comply with all regulations pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages;

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 licensees 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 this 13 day of JUL , 2015

[Signature]
GOVERNOR OF THE STATE OF HAWAII

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