

JAN 19 2018

A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1 SECTION 1. Section 281-31, Hawaii Revised Statutes, is
2 amended by amending subsection (c) to read as follows:
3 "(c) Class 2. Restaurant license.
4 (1) A license under this class shall authorize the
5 licensee to sell liquor specified in this subsection
6 for consumption on the premises; provided that a
7 restaurant licensee, with commission approval, may
8 provide off-premises catering of food and liquor;
9 provided further that the catering activity shall be
10 directly related to the licensee's operation as a
11 restaurant. A license under this class shall also
12 authorize the licensee to sell beer, malt beverages,
13 or cider for off-premises consumption; provided that
14 the licensee has the appropriate kind of license
15 pursuant to paragraph (3); and provided further that
16 the beer, malt beverage, or cider is sold in a
17 securely sealed or covered glass, ceramic, or metal



1 container that is sold to or provided by the patron,
2 and each sealed or covered glass, ceramic, or metal
3 container does not exceed a maximum capacity of one-
4 half gallon. A licensee under this class shall be
5 issued a license according to the category of
6 establishment the licensee owns or operates. The
7 categories of establishment shall be as follows:

8 (A) A standard bar; or

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

13 (2) If a licensee under class 2 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) Of this class, there shall be the following kinds:

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

20 (B) Beer and wine; and

21 (C) Beer.



1 (4) A new class 2 license may be issued prior to an
2 establishment commencing operation. An application
3 for a new class 2 license shall include a
4 certification by the applicant that the applicant
5 intends and shall derive no less than thirty per cent
6 of the establishment's gross revenue from the sale of
7 foods.

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

12 SECTION 2. Section 281-41, Hawaii Revised Statutes, is
13 amended by amending subsection (a) to read as follows:

14 "(a) No license issued under this chapter to an original
15 applicant or to any transferee shall be transferable or be
16 transferred within one year of the issuance or transfer, except
17 for good cause shown to the satisfaction of the liquor
18 commission. A transfer of license shall be for the same class,
19 kind, and category of license. No license issued under this
20 chapter shall be transferable or be transferred except upon
21 written application to the commission by the proposed



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1 transferee, and after prior inspection of the premises,
 2 reference to, and report by an inspector, and a public hearing
 3 held by the commission not less than fourteen days after one
 4 publication of notice thereof, but without sending notice of the
 5 hearing by mail to persons being the owners or lessees of real
 6 estate situated within the vicinity of the premises and without
 7 the right to the owners or lessees to protest the transfer of a
 8 license. Exceptions are class 5 and 11 licensees who ~~[must]~~
 9 shall comply with the requirements as set forth in sections 281-
 10 57 to 281-60. Notwithstanding any provision of this chapter to
 11 the contrary, a class 2 license shall be transferrable; provided
 12 that the transferee certifies that the transferee intends and
 13 shall derive no less than thirty per cent of the establishment's
 14 gross revenue from the sale of foods."

15 SECTION 3. Statutory material to be repealed is bracketed
 16 and stricken. New statutory material is underscored.

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

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INTRODUCED BY: ~~AC Smith~~ _____

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Report Title:

Liquor License; Restaurant Licenses; New Licenses; Transfer of License; Liquor Commission

Description:

Authorizes the liquor commission to issue a new restaurant liquor license prior to the restaurant commencing operation. Requires an applicant for a new class 2 restaurant liquor license to include a certification that the applicant intends and shall derive no less than thirty per cent of the establishment's gross revenue from the sale of foods. Clarifies that a class 2 restaurant liquor license is transferrable, provided that the transferee certifies that the transferee intends and shall derive no less than thirty per cent of the establishment's gross revenue from the sale of foods.

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