

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 as follows:
- 3 1. By amending subsection (n) to read:
- 4 "(n) Class 14. Brewpub license. A brewpub licensee:
- 5 (1) May sell malt beverages manufactured on the licensee's
6 premises for consumption on the premises;
- 7 (2) May sell malt beverages manufactured by the licensee
8 in brewery-sealed packages to class 3 wholesale dealer
9 licensees pursuant to conditions imposed by the county
10 by ordinance or rule;
- 11 (3) May sell intoxicating liquor purchased from a class 3
12 wholesale dealer licensee to consumers for consumption
13 on the licensee's premises. The categories of
14 establishments shall be as follows:
- 15 (A) A standard bar; or
- 16 (B) Premises in which live entertainment or recorded
17 music is provided. Facilities for dancing by the



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

3 (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 recyclable and reusable containers and sell
7 malt beverages manufactured on the licensee's premises
8 or purchased from a class 1 manufacturer licensee, a
9 class 3 wholesale dealer licensee, a class 14 brewpub
10 licensee, or a class 18 small craft producer pub
11 licensee to consumers in growlers for off-premises
12 consumption; provided that for purposes of this
13 paragraph, "growler" means a [~~glass, ceramic, or metal~~
14 ~~container,~~] recyclable or reusable container not to
15 exceed one [~~half-gallon~~] gallon, which shall be
16 securely sealed;

17 [~~(5) May, subject to federal labeling and bottling~~
18 ~~requirements, sell malt beverages manufactured on the~~
19 ~~licensee's premises in recyclable containers provided~~
20 ~~by the licensee or by the consumer which do not exceed~~
21 ~~one-gallon per container and are securely sealed on~~



1 ~~the licensee's premises to consumers for off-premises~~
2 ~~consumption;~~
3 ~~(6)]~~ (5) Shall comply with all ~~[regulations]~~ requirements
4 pertaining to class 4 retail dealer licensees when
5 engaging in the retail sale of malt beverages;
6 ~~(7)]~~ (6) May, subject to federal labeling and bottling
7 requirements, sell malt beverages manufactured on the
8 licensee's premises in brewery-sealed containers
9 directly to class 2 restaurant licensees, class 3
10 wholesale dealer licensees, class 4 retail dealer
11 licensees, class 5 dispenser licensees, class 6 club
12 licensees, class 8 transient vessel licensees, class 9
13 tour or cruise vessel licensees, class 10 special
14 licensees, class 11 cabaret licensees, class 12 hotel
15 licensees, class 13 caterer licensees, class 14
16 brewpub licensees, class 15 condominium hotel
17 licensees, class 18 small craft producer pub
18 licensees, and consumers pursuant to conditions
19 imposed by county ~~[regulations]~~ ordinances or rules
20 governing class 1 manufacturer licensees and class 3
21 wholesale dealer licensees; and



1 ~~[(8)]~~ (7) May conduct the activities under paragraphs (1)
 2 to ~~[(7)]~~ (6) at ~~[one location]~~ locations other than
 3 the licensee's primary manufacturing premises;
 4 provided that:

5 (A) The manufacturing takes place in Hawaii; ~~[and]~~

6 ~~(B)~~ The other locations operate under the same trade
 7 name within the State; and

8 ~~[(B)]~~ (C) The other ~~[location is]~~ locations are
 9 properly licensed ~~[under the same ownership.]~~ as
 10 a class 1 manufacturer licensee, class 2
 11 restaurant licensee, class 4 retail dealer
 12 licensee, class 5 dispenser licensee, class 12
 13 hotel licensee, class 14 brewpub licensee, or
 14 class 18 small craft producer pub licensee within
 15 the county of operation."

16 2. By amending subsection (r) to read:

17 "(r) Class 18. Small craft producer pub license. A small
 18 craft producer pub licensee:

19 (1) Shall manufacture not more than:

20 (A) ~~[Sixty]~~ One-hundred thousand barrels of malt
 21 beverages;



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- 1 (B) Twenty thousand barrels of wine; or
- 2 (C) Seven thousand five hundred barrels of alcohol on
- 3 the licensee's premises during the license year;
- 4 provided that for purposes of this paragraph, "barrel"
- 5 means a container not exceeding thirty-one gallons or
- 6 wine gallons of liquor;
- 7 (2) May sell malt beverages, wine, or alcohol manufactured
- 8 on the licensee's premises for consumption on the
- 9 premises;
- 10 (3) May sell malt beverages, wine, or alcohol manufactured
- 11 by the licensee in producer-sealed packages to class 3
- 12 wholesale dealer licensees pursuant to conditions
- 13 imposed by the county by ordinance or rule;
- 14 (4) May sell intoxicating liquor purchased from a class 3
- 15 wholesale dealer licensee to consumers for consumption
- 16 on the licensee's premises. The categories of
- 17 establishments shall be as follows:
- 18 (A) A standard bar; or
- 19 (B) Premises in which live entertainment or recorded
- 20 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 recyclable or reusable containers and sell
7 malt beverages manufactured on the licensee's premises
8 or purchased from a class 1 manufacturer licensee, a
9 class 3 wholesale dealer licensee, a class 14 brewpub
10 licensee, or a class 18 small craft producer pub
11 licensee to consumers in growlers for off-premises
12 consumption; provided that for purposes of this
13 paragraph, "growler" means a [~~glass, ceramic, or metal~~
14 ~~container,~~] recyclable or reusable container not to
15 exceed one [~~half-gallon~~] gallon, which shall be
16 securely sealed;

17 (6) May, subject to federal labeling and bottling
18 requirements, sell [~~malt beverages,~~] wine[~~,~~] or
19 alcohol manufactured on the licensee's premises in
20 recyclable containers provided by the licensee or by
21 the consumer which do not exceed:



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- 1 (A) One gallon per container for [~~malt beverages and~~
2 wine; and
- 3 (B) One liter for alcohol; and
- 4 are securely sealed on the licensee's premises to
5 consumers for off-premises consumption;
- 6 (7) Shall comply with all [~~regulations~~] requirements
7 pertaining to class 4 retail dealer licensees when
8 engaging in the retail sale of malt beverages, wine,
9 and alcohol;
- 10 (8) May, subject to federal labeling and bottling
11 requirements, sell malt beverages, wine, and alcohol
12 manufactured on the licensee's premises in producer-
13 sealed containers directly to class 2 restaurant
14 licensees, class 3 wholesale dealer licensees, class 4
15 retail dealer licensees, class 5 dispenser licensees,
16 class 6 club licensees, class 8 transient vessel
17 licensees, class 9 tour or cruise vessel licensees,
18 class 10 special licensees, class 11 cabaret
19 licensees, class 12 hotel licensees, class 13 caterer
20 licensees, class 14 brewpub licensees, class 15
21 condominium hotel licensees, class 18 small craft



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1 producer pub licensees, and consumers pursuant to
 2 conditions imposed by county [~~regulations~~] ordinances
 3 or rules governing class 1 manufacturer licensees and
 4 class 3 wholesale dealer licensees; and

5 (9) May conduct the activities under paragraphs (1) to (8)
 6 at [~~one location~~] locations other than the licensee's
 7 primary manufacturing premises; provided that:

8 (A) The manufacturing takes place in Hawaii; [~~and~~]

9 (B) The other locations operate under the same trade
 10 name within the State; and

11 [~~(B)~~] (C) The other [~~location is~~] locations are
 12 properly licensed [~~under the same ownership.~~] as
 13 a class 1 manufacturer licensee, class 2
 14 restaurant licensee, class 4 retail dealer
 15 licensee, class 5 dispenser licensee, class 12
 16 hotel licensee, class 14 brewpub licensee, or
 17 class 18 small craft producer pub licensee within
 18 the county of operation."

19 SECTION 2. Section 281-33.6, Hawaii Revised Statutes, is
 20 amended to read as follows:



1 "§281-33.6 Direct shipment of [~~wine~~] liquor by [~~wineries.~~]
2 producers. (a) Any person holding:
3 (1) A general excise tax license from the department of
4 taxation; and
5 (2) Either:
6 (A) A class 1, class 14, class 16, or class 18
7 license to manufacture [~~wine~~] liquor under
8 section 281-31; or
9 (B) A license to manufacture [~~wine~~] liquor issued by
10 another state,
11 may pay any applicable fees and obtain a direct [~~wine~~] liquor
12 shipper permit from the liquor commission of the county to which
13 the [~~wine~~] liquor will be shipped authorizing the holder to
14 directly ship [~~wine~~] liquor to persons in the county pursuant to
15 this section.
16 (b) The holder of a direct [~~wine~~] liquor shipper permit
17 may sell and annually ship to any person twenty-one years of age
18 or older in the county that issued the permit, no more than six
19 nine-liter cases of wine, no more than forty-two gallons of
20 beer, and no more than two nine-liter cases of spirits per
21 household for personal use only and not for resale, and shall:



- 1 (1) Ship [~~wine~~] liquor directly to the person only in
2 containers that are conspicuously labeled with the
3 words:
4 "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS
5 OR OLDER REQUIRED FOR DELIVERY.";
- 6 (2) Require that the carrier of the shipment obtain the
7 signature of any person twenty-one years of age or
8 older before delivering the shipment;
- 9 (3) Report no later than January 31 of each year to the
10 liquor commission in each county where a direct [~~wine~~]
11 liquor shipper permit is held, the total amount of
12 [~~wine~~] liquor shipped to persons in the county during
13 the preceding calendar year;
- 14 (4) Pay all applicable general excise and gallonage taxes.
15 For gallonage tax purposes, all [~~wine~~] liquor sold
16 under a direct [~~wine~~] liquor shipper permit shall be
17 deemed to be [~~wine~~] liquor sold in the State; and
- 18 (5) Be subject to audit by the liquor commission of each
19 county in which a permit is held.
- 20 (c) The holder of a license to manufacture [~~wine~~] liquor
21 issued by another state may annually renew a direct [~~wine~~]



1 liquor shipper permit by providing the liquor commission that
 2 issued the permit with a copy of the license and paying all
 3 required fees. The holder of a class 1, class 14, class 16, or
 4 class 18 license to manufacture [~~wine~~] liquor under section 281-
 5 31 may renew a direct [~~wine~~] liquor shipper permit concurrently
 6 with the class 1 license by complying with all applicable laws
 7 and paying all required fees.

8 (d) The sale and shipment of [~~wine~~] liquor directly to a
 9 person in this State by a person that does not possess a valid
 10 direct [~~wine~~] liquor shipper permit is prohibited. Knowingly
 11 violating this law is a misdemeanor.

12 (e) The liquor [~~+~~]commission[~~+~~] in each county may adopt
 13 rules and regulations necessary to carry out the intent and
 14 purpose of this section."

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 on July 1, 2018.

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INTRODUCED BY: _____

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Report Title:

Liquor License; Brewpub License; Small Craft Producer Pub License; Retail Locations; Intoxicating Liquors; Growler Law; Recyclable Containers; Direct Shipping; Manufacturers; Wineries

Description:

Clarifies that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at locations other than the licensee's primary manufacturing premises under certain conditions. Specifies that brewpubs and small craft producer pubs may sell malt beverages in growlers that may be recyclable containers and clarifies that growlers shall not exceed one gallon. Expands the law allowing direct shipping of wine by wineries to allow direct shipping of all forms of liquor by certain licensees.

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

