June 21, 2019 GOV. MSG. NO. 1217

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

The Honorable Scott K. Saiki,  
Speaker and Members of the House of Representatives  
Thirtieth State Legislature  
State Capitol, Room 431  
Honolulu, Hawai‘i 96813

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

This is to inform you that on June 21, 2019, the following bill was signed into law:

HB546 HD2 SD1 CD1 RELATING TO INTOXICATING LIQUOR. ACT 115 (19)

Sincerely,

[Signature]

DAVID Y. IGE  
Governor, State of Hawai‘i
RE公共 TO INTOXICATING LIQUOR.

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

SECTION 1. The legislature finds that Hawaii's liquor laws contain inconsistencies regarding liquor manufacturing and sales.

Accordingly, the purpose of this Act is to:

1. Allow a class 18 small craft producer pub licensee to manufacture not more than seventy thousand barrels of malt beverages on the licensee's premises during the license year;

2. Clarify that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at satellite locations other than the licensee's primary manufacturing premises under certain conditions; and

3. Clarify the definition of "growler".

SECTION 2. Section 281-31, Hawaii Revised Statutes, is amended as follows:
1. 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 recyclable or reusable containers 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] recyclable or reusable container that does not 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] is securely sealed on the licensee's premises [to consumers for off-premises consumption];

 Shall comply with all [regulations] requirements pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages;
(6) 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] ordinances or rules governing class 1 manufacturer licensees and class 3 wholesale dealer licensees;

(7) May conduct the activities under paragraphs (1) to (6) at [one-location] locations other than the licensee's primary manufacturing premises;

provided that:

(A) The manufacturing takes place in Hawaii; [and]
(B) Each of the other [location is] locations:

(i) Operates within the State under the same trade name for the premises; and

(ii) Is properly licensed [under the same ownership] within the county of its operation as a class 1 manufacturer licensee, class 2 restaurant licensee, class 4 retail dealer licensee, class 5 dispenser licensee, class 12 hotel licensee, class 14 brewpub licensee, or class 18 small craft producer pub licensee;

(C) The county liquor commission of the county in which the licensee satellite is located shall have jurisdiction of the satellite; and

(D) All requirements of the license class of the location shall be in effect as required by the county liquor commission for the satellite licensed premises; and

[+9+] (8) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."
2. 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] Seventy 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 recyclable or reusable containers 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] recyclable or reusable container that does not exceed one [half-gallon] 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 requirements 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] ordinances
or rules governing class 1 manufacturer licensees and
class 3 wholesale dealer licensees;
(9) May conduct the activities under paragraphs (1) to (8)
at [one--location] locations other than the licensee's
premises; provided that:
(A) The manufacturing takes place in Hawaii; [and]
(B) [The] Each of the other [location is] locations:
   (i) Operates within the State under the same
       trade name for the premises; and
   (ii) Is properly licensed [under the same
        ownership] within the county of its
        operation as a class 1 manufacturer
        licensee, class 2 restaurant licensee, class
        4 retail dealer licensee, class 5 dispenser
licensee, class 12 hotel licensee, class 14
brewpub licensee, or class 18 small craft
producer pub licensee;

(C) The county liquor commission of the county in
which the licensee satellite is located shall
have jurisdiction of the satellite; and

(D) All requirements of the license class of the
location shall be in effect as required by the
county liquor commission for the satellite
licensed premises; and

(10) May allow minors, who are accompanied by a parent or
legal guardian of legal drinking age, on the
licensee's premises."

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

SECTION 4. This Act shall take effect on July 1, 2019.

APPROVED this 21 day of JUN, 2019

GOVERNOR OF THE STATE OF HAWAII
We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.

Scott K. Saiki
Speaker
House of Representatives

Brian L. Takeshita
Chief Clerk
House of Representatives
THE SENATE OF THE STATE OF HAWAI‘I

Date: April 30, 2019
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai‘i, Regular Session of 2019.

[Signature]
President of the Senate

[Signature]
Clerk of the Senate