July 2, 2019

GOV. MSG. NO. 1328

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 July 2, 2019, the following bill was signed into law:

SB772 HD2 CD1 RELATING TO LIQUOR LAWS.  
ACT 226 (19)

Sincerely,

DAVID Y. IGE  
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO LIQUOR LAWS.

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

SECTION 1. The legislature finds that state law does not fully encompass the changing needs of the craft brewing industry. Responsible consumption of alcohol and consumer awareness of the products they are served remain fundamentally important, and can be maintained while updating liquor laws to better reflect the craft beer industry.

The legislature also finds that state law requires tap handles with the name or brand of the draught beer to be placed on the faucet, spigot, or outlet from where the beer is drawn. This requirement does not account for changes in technology, product line, and consumer interactions with servers. As a matter of practicality, craft beer names are often longer than will fit in the space available on a tap handle. Furthermore, a required tap handle provides no additional assurance of what has been poured when the customer is not seated within view of the draught beer taps. Many brewpubs and taprooms provide a display board on a display screen or blackboard near the tap handles or menus, which provides a greater amount of information for each...
draught beer available on tap than can be found on a tap handle.

Such information allows consumers to make better choices relying on information far beyond what is provided by attachment of a tap handle only.

The tap handle requirement is increasingly burdensome for one-time specialty beer products and seasonal offerings, which may be on draught beer taps for a few days or weeks of the year. Because establishments offering craft beer have a more rapid rotation of their offerings, it is more difficult and expensive for craft beer manufacturers to have tap handles for each offering throughout the year.

The legislature also finds that under Hawaii law, the county liquor commissions and liquor control adjudication boards are required to adopt rules to address responsible consumption of alcohol. Under these rules, some of the counties have defined stacking to mean having more than two standard servings of drinks before a customer at any one time, although the description of standard serving size varies by county. Concerns have been raised that defining stacking based on the number of drinks, rather than on the total volume served, does not allow
1 breweries, brewpubs, and taprooms to serve small volumes of
2 sample sizes.
3 As part of Hawaii's tourist-based economy, visitors will
4 often seek out new breweries and craft beer offerings unique to
5 Hawaii and will often want to try smaller volumes of various
6 beer styles. Servings are often referred to as a flight or
7 sampler selection with four or five beer styles, typically a
8 four to six ounce pour of each. The total volume served in a
9 flight or sampler selection is below the current standard
10 serving size limitations set by the county liquor and liquor
11 control adjudication boards.
12 The purpose of this Act is to:
13 (1) Repeal the requirement of a direct attachment of a tap
14 handle, label, notice, placard, or marker on a draught
15 beer faucet, spigot, or outlet; and
16 (2) Clarify the definition of stacking and serving size
17 that may be adopted by the county liquor and liquor
18 control adjudication boards.
19 SECTION 2. Section 281-78, Hawaii Revised Statutes, is
20 amended by amending subsection (b) to read as follows:
"(b) At no time under any circumstances shall any licensee or its employee:

(1) Sell, serve, or furnish any liquor to, or allow the consumption of any liquor by:

(A) Any minor;

(B) Any person at the time under the influence of liquor;

(C) Any person known to the licensee to be addicted to the excessive use of intoxicating liquor; or

(D) Any person for consumption in any vehicle that is licensed to travel on public highways;

provided that the consumption or sale of liquor to a minor shall not be deemed to be a violation of this subsection if, in making the sale or allowing the consumption of any liquor by a minor, the licensee was misled by the appearance of the minor and the attending circumstances into honestly believing that the minor was of legal age and the licensee acted in good faith; [and] provided further that it shall be incumbent upon the licensee to prove that the licensee so acted in good faith;
(2) Permit any liquor to be consumed on the premises of the licensee or on any premises connected therewith, whether there purchased or not, except as permitted by the terms of its license;

(3) Permit any liquor to be sold or served by any person eighteen to twenty years of age except in licensed establishments where selling or serving the intoxicating liquor is part of the minor's employment, and where there is proper supervision of these minor employees to ensure that the minors shall not consume the intoxicating liquor;

(4) Permit any liquor to be sold or served by any person below the age of eighteen years upon any licensed premises, except in individually specified licensed establishments found to be otherwise suitable by the liquor commission in which an approved program of job training and employment for dining room waiters and waitresses is being conducted in cooperation with the University of Hawaii, the state community college system, or a federally sponsored personnel development
and training program, under arrangements that ensure
proper control and supervision of employees;

(5) Knowingly permit any person under the influence of
liquor or disorderly person to be or remain in or on
the licensed premises;

(6) Fail to timely prevent or suppress any violent,
quarrelsome, disorderly, lewd, immoral, or unlawful
conduct of any person on the premises;

(7) Sell any draught beer unless upon the faucet, spigot,
or outlet wherefrom the beer is drawn there is
attached a clear and legible notice, placard, or
marker which in the English language indicates and
declares the name or brand adopted by the manufacturer
of the draught beer, so situated as to be clearly
legible for a distance of at least ten feet from the
spigot, faucet, or outlet, to a purchaser with normal
vision, or

(8) Receive from a person, as payment or as a
consideration for liquor, any personal or household
goods, including clothing and food, or any implements
of trade. Any person violating this paragraph shall
be guilty of a misdemeanor and upon conviction shall
be punished as provided in section 281-102."

SECTION 3. Section 281-78.5, Hawaii Revised Statutes, is
amended by amending subsection (b) to read as follows:

"(b) The liquor commission shall adopt rules pursuant to
chapter 91 to prohibit specific liquor promotion practices which
promote excessive consumption of liquor[ ]; provided that any
rules adopted by the counties related to the stacking of liquor
shall specify that:

(1) Stacking of beer shall be defined based on a standard
serving size of total volume; and

(2) A standard serving size of beer shall be defined as
not exceeding a total volume of thirty-two ounces
before a customer at any one time."

SECTION 4. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019.

APPROVED this 02 day of JUL, 2019

GOVERNOR OF THE STATE OF HAWAII
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.

[Signatures]
President of the Senate

Clerk of the Senate
SB No. 772, HD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2019
Honolulu, 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