
A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1 SECTION 1. Chapter 281, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§281- Direct shipment of wine by wineries. (a)

5 Notwithstanding any law or rule to the contrary, a person
6 holding a class 1 license to manufacture wine under section 281-
7 31 or any person holding a license to manufacture wine issued by
8 another state may obtain a wine direct shipper permit from the
9 commission pursuant to this section. A wine direct shipper
10 permitholder may sell and ship up to cases of wine annually
11 directly to a resident of this State who is at least twenty-one
12 years of age, for the resident's personal use and not for
13 resale.

14 (b) Before sending any shipment to a resident of this
15 State, the wine direct shipper permitholder shall:

16 (1) File an application with the commission where the
17 individual resides;



- 1 (2) Provide the commission with the number of its Hawaii
2 class 1 license to manufacture wine or a true copy of
3 its current winery license issued by another state;
4 (3) Obtain from the commission a wine direct shipper
5 permit; and
6 (4) Register with the department of taxation for the
7 payment of general excise taxes and gallonage taxes on
8 sales of wine to state residents under the wine direct
9 shipper permit.

10 (c) A wine direct shipper permit authorizes the
11 permitholder to do all of the following:

- 12 (1) Sell and ship not more than cases of wine annually
13 to any person twenty-one years of age or older for his
14 or her personal use and not for resale;
15 (2) Ship wine directly to a resident in this State only in
16 containers that are conspicuously labeled with the
17 words "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21
18 YEARS OR OLDER REQUIRED FOR DELIVERY;" and
19 (3) Ship wine only if the permitholder requires the
20 carrier to obtain the signature of any individual
21 twenty-one years of age or older before delivering any
22 wine shipped to an individual in this State.

1 (d) A direct wine shipper permit requires the permitholder

2 to:

3 (1) Provide each commission with a copy of a report, no
4 later than January 31 of each year, showing the total
5 amount of wine shipped to state residents during the
6 preceding calendar year under all the permitholder's
7 wine direct shipper permits; and

8 (2) Pay to the department of taxation all general excise
9 taxes and gallonage taxes on sales to state residents
10 under its wine direct shipper permits. For gallonage
11 tax purposes, all wine sold pursuant to a wine direct
12 shipper permit shall be deemed to be wine sold in this
13 state.

14 (e) Upon request, the commission and the department of
15 taxation may perform an audit of the permitholder's records.

16 (f) A permitholder shall be deemed to have consented to
17 the jurisdiction of this State for purposes of enforcement of
18 this section and any related laws or rules.

19 (g) A permitholder located outside the State may annually
20 renew its permit with the commission by providing the commission
21 with a true copy of its current winery license issued by another
22 state. A permitholder located in the State shall renew its wine



1 direct shipper permit in conjunction with its class 1 license to
2 manufacture wine.

3 (h) The commission and the department of taxation may
4 adopt rules pursuant to chapter 91 to effectuate the purposes of
5 this section.

6 (i) The commission may enforce the requirements of this
7 section by administrative proceedings to suspend or revoke the
8 wine direct shipper permit, and may accept payment of an offer
9 in compromise in lieu of suspension pursuant to rules adopted by
10 the commission.

11 (j) Sales and shipments of wine direct to consumers in the
12 State from in-state or out-of-state wine manufacturers who do
13 not possess a current wine direct shipper permit from the
14 commission are prohibited. Any person who knowingly makes such
15 a shipment is guilty of a misdemeanor."

16 SECTION 2. Section 281-33.1, Hawaii Revised Statutes, is
17 amended by amending subsection (i) to read as follows:

18 "(i) An unlicensed adult person shall not be required to
19 obtain a permit under this section to receive shipments of
20 [~~liquor~~] wine pursuant to section [~~281-33.5.~~] 281- ."

21 SECTION 3. Section 281-33.5, Hawaii Revised Statutes, is
22 repealed.



1 [~~§281-33.5 Reciprocal shipments of wine. Notwithstanding~~
2 ~~any other law to the contrary, the holder of a license to~~
3 ~~manufacture wine in another state that affords holders of a~~
4 ~~class 1 license to manufacture wine under section 281-31 an~~
5 ~~equal reciprocal shipping privilege, may ship for personal use~~
6 ~~and not for resale not more than three cases of wine of its own~~
7 ~~manufacture per year, with each case containing not more than~~
8 ~~nine liters, to any resident twenty one years of age or older.~~
9 ~~Out-of-state wine manufacturers that are authorized to ship wine~~
10 ~~under this section shall submit, to the appropriate liquor~~
11 ~~commission, a shipping invoice for each delivery into this~~
12 ~~State. Delivery of a shipment into this State under this~~
13 ~~section shall not be deemed to constitute a sale in this~~
14 ~~State.~~"]

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

17 SECTION 5. This Act shall take effect upon its approval;
18 provided that the county commissions shall begin issuing wine
19 direct shipper permits pursuant to this Act upon the approval of
20 this Act.



Report Title:

Intoxicating Liquor; Shipping Permit; Direct Shipment of Wine

Description:

Requires permit for the direct shipment of wine into the State by persons with a Hawaii class 1 license or another state's license to manufacture wine. (SD1)

