
A BILL FOR AN ACT

RELATING TO AMENDING OR REPEALING VARIOUS PROVISIONS OF CHAPTER 281, HAWAII REVISED STATUTES, INTOXICATING LIQUOR, FOR THE PURPOSE OF CLARIFYING LANGUAGE, CORRECTING ERRORS, AND DELETING UNNECESSARY AND OBSOLETE PROVISIONS.

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

1 SECTION 1. Section 281-1, Hawaii Revised Statutes, is
2 amended by adding a new definition to be appropriately inserted
3 and to read as follows:

4 "Partner" means a partner in a general partnership,
5 limited partnership, or limited liability partnership."

6 SECTION 2. Section 281-4, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "~~§281-4~~ **Liquor consumption on unlicensed premises**
9 **prohibited, when.** (a) It shall be unlawful for any person who
10 keeps or maintains any restaurant or other premises where food,
11 beverages, or entertainment are [~~sold or~~] provided [~~for~~
12 ~~compensation,~~], or brought in by patrons or guests, whether for
13 compensation or not, or to which members of the public, or
14 members of an organization, resort for food, refreshment, or
15 entertainment, and who is not a licensee of the commission under
16 this chapter, to promote, encourage, aid, or permit the



1 consumption of liquor on the premises, except during the hours
2 between which licensed premises of dispensers are permitted to
3 be open for the transaction of business in the county where the
4 premises are located.

5 (b) It shall be unlawful for any person who is present at
6 any restaurant or other premises where food, beverages, or
7 entertainment are sold ~~[or]~~, provided ~~[for compensation]~~, or
8 brought in by patrons or guests, or to which members of the
9 public, or members of an organization, resort for food,
10 refreshment, or entertainment, and which premises are not
11 licensed by the commission under this chapter, to consume any
12 liquor on the premises, except during the hours between which
13 licensed premises of dispensers are permitted to be open for the
14 transaction of business in the county where the premises are
15 located.

16 (c) It shall be unlawful for any person who keeps or
17 maintains any restaurant or other premises where food,
18 beverages, or entertainment are ~~[sold or]~~ provided ~~[for~~
19 ~~compensation]~~, or brought in by patrons or guests, whether
20 compensated or not, to sell or provide ~~[any food]~~ or ~~[beverages]~~
21 allow the consumption of liquor to or for any of the following



1 persons knowing that such person has, or is about to obtain,
2 liquor for consumption by the person on the premises, to wit:

- 3 (1) Any minor~~[]~~ i
4 (2) Any person at the time under the influence of
5 liquor~~[]~~ i
6 (3) Any disorderly person~~[]~~ i
7 (4) Any person known to be addicted to the excessive use
8 of liquor~~[]~~; or
9 (5) Any person, for consumption in any vehicle on the
10 premises;

11 provided that the ~~[sale of or the]~~ providing of ~~[feed or~~
12 ~~beverages]~~ liquor to or for a minor who has or is about to
13 obtain liquor for consumption by the minor on the premises or
14 allowing the consumption of liquor by a minor shall not be
15 deemed to be a violation of this subsection if, at the time, the
16 person ~~[so selling or]~~ providing ~~[feed]~~ or ~~[beverages]~~ allowing
17 the consumption of liquor was misled by the appearance of the
18 minor and the attending circumstances into honestly believing
19 that such minor was of legal age and the person acted in good
20 faith, and it shall be incumbent upon the person to prove that
21 the person so acted in good faith.



1 (d) Within the meaning of this section, the word
2 "premises" includes any vessel as well as any place, with or
3 without a structure thereon, and the hours between which
4 licensed premises of dispensers are permitted to be open for the
5 transaction of business shall be deemed to be those during which
6 such dispensers are permitted to keep open their premises for
7 the sale, service, and consumption of liquor, or any of them."

8 SECTION 3. Section 281-17.5, Hawaii Revised Statutes, is
9 amended by amending subsection (b) to read as follows:

10 "(b) Any such liquor license fees or any moneys collected
11 or received by any liquor commission under this chapter may only
12 be used for costs and expenses directly relating to operational
13 and administrative costs actually incurred by the liquor
14 commission collecting or receiving such liquor license fees or
15 moneys. Such fees or moneys shall not be used for any costs or
16 expenses other than those directly relating to its operation and
17 administration[-], except as otherwise provided by law."

18 SECTION 4. Section 281-21, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§281-21 Service of subpoenas by investigators, police**
21 **officers, or other law enforcement officers; witnesses' fees.**
22 Any investigator, police officer, or other law enforcement



1 officer may serve any subpoena issued by the liquor commission
2 [~~or~~], liquor control adjudication board [~~or~~], or administrator.

3 Every witness attending or testifying at any hearing of the
4 commission or board in response to a subpoena issued by it or
5 the administrator shall be paid as provided for in section
6 621-7. If a witness is subpoenaed by direction of the
7 commission [~~or~~], board, or administrator, the witness' fees
8 shall be paid out of any funds which may be set aside for the
9 expenses of the commission or board and, if the witness is
10 subpoenaed on behalf of any interested party, the witness' fees
11 shall be paid by that party."

12 SECTION 5. Section 281-31, Hawaii Revised Statutes, is
13 amended to read as follows:

14 "**§281-31 Licenses, classes.** (a) Licenses may be granted
15 by the liquor commission as provided in this section.

16 (b) Class 1. Manufacturers' license. A license for the
17 manufacture of liquor shall authorize the licensee to
18 manufacture the liquor therein specified and to sell it at
19 wholesale in original packages to any person who holds a license
20 to resell it and to sell draught beer or wine manufactured from
21 grapes or other fruits grown in the [~~State~~] state in any
22 quantity to any person for private use and consumption. Under



1 this license, no liquor shall be consumed on the premises except
2 as authorized by the commission. Of this class, there shall be
3 the following kinds:

- 4 (1) Beer;
- 5 (2) Wine;
- 6 (3) Alcohol; and
- 7 (4) Other specified liquor.

8 It shall be unlawful for any holder of a manufacturer's
9 license to have any interest whatsoever in the license or
10 licensed premises of any other licensee. This subsection shall
11 not prevent the holder of a [~~beer class~~] manufacturer's license
12 under this chapter or under the law of another jurisdiction from
13 maintaining any interest in the license or licensed premises of
14 a [~~beer and wine class~~] wholesale dealer licensee under this
15 chapter [~~whose wholesaling is limited to beer, other than direct~~
16 ~~ownership of a beer and wine class wholesale dealer's license,~~
17 ~~or direct ownership of a partnership share, one or more shares~~
18 ~~of stock, or similar proprietary stake in the holder of a beer~~
19 ~~and wine class wholesale dealer's license]~~.

20 (c) Class 2. Restaurant license.

21 (1) A license under this class shall authorize the
22 licensee to sell liquors specified in this subsection



1 for consumption on the premises; provided that a
2 restaurant licensee, with commission approval, may
3 provide off-premises catering[+] of food and liquor;
4 provided further that the catering activity shall be
5 directly related to the licensee's operation as a
6 restaurant. A licensee under this class shall be
7 issued a license according to the category of
8 establishment the licensee owns or operates. The
9 categories of establishment shall be as follows:

10 (A) A standard bar; or

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

15 (2) If a licensee under class 2 desires to change the
16 category of establishment the licensee owns or
17 operates, the licensee shall apply for a new license
18 applicable to the category of the licensee's
19 establishment [{}]. [{}]

20 (3) [~~For each category of class 2 licenses,~~] Of this
21 class, there shall be the following kinds:

22 (A) General (includes all liquors except alcohol);



1 (B) Beer and wine; and

2 (C) Beer.

3 [Any] Notwithstanding section 281-57, the commission may approve
4 at one public hearing and without notice the change to a class 2
5 restaurant license of a licensee holding a [different class of]
6 class 5 dispenser license [on June 19, 1990, and who would
7 otherwise come within this class of license shall not be
8 required to apply for a new license.] who meets the requirements
9 of a class 2 license.

10 (d) Class 3. Wholesale dealers' license. A license for
11 the sale of liquors at wholesale shall authorize the licensee to
12 import and sell only to licensees or to others who are by law
13 authorized to resell but are not by law required to hold a
14 license, the liquors therein specified [~~in quantities not less~~
15 ~~than five gallons at one time if sold from or in bulk containers~~
16 ~~or not less than one gallon if bottled goods]; provided that
17 samples of liquor may be sold back to the manufacturer. [The
18 ~~license may authorize the licensee to sell draught beer in~~
19 ~~quantities not less than five gallons at one time to any person~~
20 ~~for private use and consumption if the licensee files an~~
21 ~~affidavit with the commission that there is not a class 4 retail~~
22 ~~dealers licensee available to sell the wholesalers brand of~~~~



1 ~~draught-beer.~~] Under the license, no liquor shall be consumed
2 on the premises except as authorized by the commission. Of this
3 class, there shall be the following kinds:

- 4 (1) General (includes all liquors except alcohol);
- 5 (2) Beer and wine; and
- 6 (3) Alcohol.

7 If any wholesale dealer solicits or takes any orders in any
8 county other than that where the dealer's place of business is
9 located, the orders may be filled only by shipment direct from
10 the county in which the wholesale dealer has the dealer's
11 license. Nothing in this subsection shall prevent a wholesaler
12 from selling liquors to post exchanges, [~~ships~~] ships' service
13 stores, army or navy officers' clubs, or similar organizations
14 located on army or navy reservations, or to any vessel other
15 than vessels performing a regular water transportation service
16 between any two or more ports in the [~~State,~~] state, or to
17 aviation companies who operate an aerial transportation
18 enterprise as a common carrier, under chapter 269, engaged in
19 regular flight passenger services between any two or more
20 airports in the [~~State~~] state for use on aircraft, or aviation
21 companies engaged in transpacific flight operations for use on
22 aircraft outside the jurisdiction of the State.



1 (e) Class 4. Retail dealers' license. A license to sell
2 liquors at retail or to class 10 licenses shall authorize the
3 licensee to sell the liquors therein specified in their original
4 packages. Under the license, no liquor shall be consumed on the
5 premises except as authorized by the commission. Of this class,
6 there shall be the following kinds:

- 7 (1) General (includes all liquors except alcohol);
8 (2) Beer and wine; and
9 (3) Alcohol.

10 (f) Class 5. Dispensers' license.

11 (1) A license under this class shall authorize the
12 licensee to sell liquors specified in this subsection
13 for consumption on the premises. A licensee under
14 this class shall be issued a license according to the
15 category of establishment the licensee owns or
16 operates. The categories of establishments shall be
17 as follows:

- 18 (A) A standard bar;
19 (B) Premises in which a person performs or entertains
20 unclothed or in attire restricted to use by
21 entertainers pursuant to commission rules;



1 (C) Premises in which live entertainment or recorded
2 music is provided; provided that facilities for
3 dancing by the patrons may be permitted as
4 provided by commission rules; or

5 (D) Premises in which employees or entertainers are
6 compensated to sit with patrons, regardless of
7 whether the employees or entertainers are
8 consuming nonalcoholic beverages while in the
9 company of the patrons pursuant to commission
10 rules.

11 (2) If a licensee under class 5 desires to change the
12 category of establishment the licensee owns or
13 operates, the licensee shall apply for a new license
14 applicable to the category of the licensee's
15 establishment.

16 (3) [~~For each category of class 5 licenses,~~] Of this
17 class, there shall be the following kinds:

18 (A) General (includes all liquors except alcohol);

19 (B) Beer and wine; and

20 (C) Beer.

21 (g) Class 6. Club license. A club license shall be
22 general only (but excluding alcohol) and shall authorize the



1 licensee to sell liquors to members of the club and to guests of
 2 the club enjoying the privileges of membership, for consumption
 3 only on the premises kept and operated by the club; provided
 4 that the license shall also authorize any club member to keep in
 5 the member's private locker on the premises a reasonable
 6 quantity of liquor, if owned by the member, for the member's own
 7 personal use and not to be sold and that may be consumed only on
 8 the premises. A club licensee shall be authorized to host
 9 charitable functions that are open to the general public only
 10 pursuant to commission rules.

11 The categories of establishment shall be as follows:

- 12 (1) A standard bar; or
- 13 (2) Premises in which live entertainment or recorded music
 14 is provided. Facilities for dancing by the patrons
 15 may be permitted as provided by commission rules.

16 ~~[(h) Class 7. Vessel license. A general license may be~~
 17 ~~granted to the owner of any vessel performing a regular water~~
 18 ~~transportation passenger service between any two or more ports~~
 19 ~~in the State for the sale of liquor (other than alcohol) on~~
 20 ~~board the vessel while in the waters of the State; provided the~~
 21 ~~sales are made only while the vessel is en route and only for~~
 22 ~~consumption by passengers on board. If the vessel has a home~~



1 ~~port in the State, the license shall be issuable in the county~~
2 ~~in which the home port is situated; provided that if the~~
3 ~~licensee's home port is not situated in this State, the license~~
4 ~~shall be issuable in the city and county of Honolulu. If, on~~
5 ~~any vessel for which no license has been obtained under this~~
6 ~~chapter, any liquor is sold or served within three miles of the~~
7 ~~shore of any island of the State, it shall constitute a~~
8 ~~violation of this chapter.~~

9 ~~(i)]~~ (h) Class 8. Transient vessel license. A general
10 license may be granted to the owner of any vessel [~~that does not~~
11 ~~fall within class 7]~~ for the sale of liquor (other than alcohol)
12 on board the vessel while [~~in~~] en route within the
13 jurisdictional limits of the state and within any port of the
14 [~~State.]~~ state. Sales shall be made only for consumption by
15 passengers and their guests on board the vessel. The license
16 shall be issuable in each county where the sales are to be made;
17 provided that the application for the license may be made by any
18 agent representing the owner.

19 ~~(+)]~~ (i) Class 9. Tour or cruise vessel license. A
20 general license may be granted to the owner of any tour or
21 cruise vessel for the sale of liquor (other than alcohol) on
22 board the vessel while in the waters of the [~~State,]~~ state;



1 provided that sales be made only for consumption by passengers
2 on board while the vessel is in operation outside the port or
3 dock of any island of the [~~State,~~] state, unless otherwise
4 approved by the county where the license has been issued. [~~If~~
5 ~~the vessel has a home port in the State, the~~] The license shall
6 be issuable in the county wherein the home port is situated[~~+~~
7 ~~provided that if the licensee's home port is not situated in~~
8 ~~this State, the license shall be issuable in the city and county~~
9 ~~of Honolulu~~]. If, on any vessel for which no license has been
10 obtained under this chapter, any liquor is sold or served within
11 three miles of the shore of any island of the [~~State,~~] state, it
12 shall constitute a violation of this chapter.

13 The categories of establishment shall be as follows:

- 14 (1) A standard bar; or
15 (2) Premises in which live entertainment or recorded music
16 is provided. Facilities for dancing by the patrons
17 may be permitted as provided by commission rules.

18 [~~(k)~~] (j) Class 10. Special license. A special license
19 may be granted for the sale of liquor for a period not to exceed
20 three days [~~on any occasion and under any conditions as may be~~
21 ~~approved by the commission.~~] and pursuant to commission rule may
22 be approved by the administrator for fundraising events by



1 nonprofit organizations, political candidates, and political
2 parties; provided that any registered educational or charitable
3 nonprofit organization may sell liquors in their original
4 packages for off-premises consumption. Of this class, there
5 shall be the following kinds:

- 6 (1) General (includes all liquors except alcohol);
- 7 (2) Beer and wine; and
- 8 (3) Beer.

9 Under this license, the liquors therein specified shall be
10 consumed on the premises.

11 [~~11~~] (k) Class 11. Cabaret license. A cabaret license
12 shall be general only (but excluding alcohol) and shall
13 authorize the sale of liquors for consumption on the premises.
14 This license shall be issued only for premises where food is
15 served, facilities for dancing by the patrons are provided,
16 including a dance floor, and live or amplified recorded music or
17 professional entertainment, except professional entertainment by
18 a person who performs or entertains unclothed, is provided for
19 the patrons; provided that professional entertainment by persons
20 who perform or entertain unclothed shall be authorized by:

- 21 (1) A cabaret license for premises where professional
22 entertainment by persons who perform or entertain



1 unclothed was presented on a regular and consistent
2 basis immediately prior to June 15, 1990; or

3 (2) A cabaret license that, pursuant to rules adopted by
4 the liquor commission, permits professional
5 entertainment by persons who perform or entertain
6 unclothed.

7 A cabaret license under paragraph (1) or (2) authorizing
8 professional entertainment by persons who perform or entertain
9 unclothed shall be transferable through June 30, 2000. A
10 cabaret license under paragraph (1) or (2) authorizing
11 professional entertainment by persons who perform or entertain
12 unclothed shall not be transferable after June 30, 2000, except
13 when the transferee obtains approval from the liquor commission,
14 and pursuant to rules adopted by the commission.

15 Notwithstanding any rule of the liquor commission to the
16 contrary, cabarets in resort areas may be opened for the
17 transaction of business until 4 a.m. throughout the entire week.

18 [~~(m)~~] (1) Class 12. Hotel license. A license to sell
19 liquor in a hotel shall authorize the licensee to provide
20 entertainment and dancing on the hotel premises and to sell all
21 liquors, except alcohol, for consumption on the premises;
22 provided that a hotel licensee, with commission approval, may



1 provide off-premises catering[7] of food and liquor, if the
2 catering activity is directly related to the licensee's
3 [~~operation as a hotel.~~] food service.

4 Procedures such as room service, self-service (no-host),
5 minibars or similar service in guest rooms, and service at
6 [private] parties in areas that are the property of and
7 contiguous to the hotel, are permitted with commission approval.

8 Any licensee who would otherwise fall within the hotel
9 license class but holds a different class of license may be
10 required to apply for a hotel license.

11 If the licensee applies for a change of classification
12 prior to July 30, 1992, the licensee shall not be subject to the
13 requirements of sections 281-52, 281-54, and 281-57 through
14 281-59.

15 Any licensee holding a class 12 license on [+]May 1,
16 2007, [+] and who would otherwise come within this class of
17 license may apply to the liquor commission in which the licensee
18 is seeking a change in liquor license for a change to a class 15
19 license; provided that the licensee shall not be subject to the
20 requirements of section 281-54 and sections 281-57 to 281-60.

21 If a licensee holding a class 12 license on [+]May 1,
22 2007, [+] applies for a change to a class 15 license, the



1 respective liquor commission shall hold a public hearing upon
2 notice, and upon the day of hearing, or any adjournment thereof,
3 the liquor commission shall consider the application, accept all
4 written or oral testimony for or against the application, and
5 render its decision granting or refusing the application. If
6 the application is denied, the class 12 license shall continue
7 in effect in accordance with law.

8 ~~[(n)]~~ (m) Class 13. Caterer license. A general license
9 may be granted to any [~~licensee~~] applicant who serves food as
10 part of their operation for the sale of liquor (other than
11 alcohol) while performing food catering functions~~[-]~~ off the
12 premises.

13 No catering service for the sale of liquor shall be
14 performed off the licensee's premises, unless prior written
15 notice of the service has been delivered to the office of the
16 liquor commission of the county concerned. The notice shall
17 state the date, time, and location of the proposed event and
18 shall include a written statement signed by the owner or
19 representative of the property that the function will be subject
20 to the liquor laws and to inspection by investigators.

21 ~~[(e)]~~ (n) Class 14. Brewpub license. A brewpub licensee:



- 1 (1) Shall manufacture not more than ten thousand barrels
2 of malt beverages on the licensee's premises during
3 the license year;
- 4 (2) May sell malt beverages manufactured on the licensee's
5 premises for consumption on the premises;
- 6 (3) May sell malt beverages manufactured by the licensee
7 in brewery-sealed packages to class 3 [7] wholesale
8 dealer licensees pursuant to conditions imposed by
9 county planning and public works departments;
- 10 (4) May sell intoxicating liquor, purchased from a
11 class 1 [7] manufacturer licensee, or a class 3 [7]
12 wholesale dealer's licensee, to consumers for
13 consumption on the licensee's premises [~~7 provided that~~
14 ~~the premises is owned and operated by the licensee~~].
- 15 The categories of establishments shall be as follows:
- 16 (A) A standard bar; or
- 17 (B) Premises in which live entertainment or recorded
18 music is provided. Facilities for dancing by the
19 patrons may be permitted as provided by
20 commission rules;
- 21 (5) May sell malt beverages manufactured on the licensee's
22 premises to consumers in brewery-sealed kegs and



1 growlers for off-premises consumption; provided that
2 for purposes of this paragraph, "growler" means a
3 glass container, not to exceed one half-gallon, which
4 [may] shall be securely sealed;

5 (6) May sell malt beverages manufactured on the licensee's
6 premises to consumers, in recyclable containers that
7 may be provided by the licensee or by the consumer,
8 not to exceed one gallon per container, which are
9 securely sealed on the licensee's premises, for
10 off-premises consumption;

11 (7) Shall comply with all regulations pertaining to
12 class 4 retail licensees when engaging in the retail
13 sale of malt beverages; and

14 (8) May sell malt beverages manufactured on the licensee's
15 premises in brewery-sealed containers directly to
16 class 2 restaurant licensees, class 3 wholesale dealer
17 licensees, class 4 retail dealer licensees, class 5
18 dispensers' licensees, class 6 club licensees, class
19 [~~7, 8, and 9 vessel licensees,~~] 8 transient vessel
20 licensees, class 9 tour or cruise vessel licensees,
21 class 10 special licensees, class 11 cabaret
22 licensees, class 12 hotel licensees, class 13 caterer



1 licenses, and class 15 condominium hotel license,
2 pursuant to conditions imposed by county [~~planning and~~
3 ~~public works departments and~~] regulations governing
4 class 1 manufacturer's licensees and class 3 wholesale
5 dealers licensees [~~;~~ and

6 ~~(9) May conduct the activities described in paragraphs (1)~~
7 ~~through (8) at one location other than the licensee's~~
8 ~~premises; provided that the manufacturing takes place~~
9 ~~in Hawaii; and provided further the other location is~~
10 ~~properly licensed by the same ownership].~~

11 [~~(p)~~] (o) Class 15. Condominium hotel license. A license
12 to sell liquor in a condominium hotel shall authorize the
13 licensee to provide entertainment and dancing on the condominium
14 hotel premises and to sell all liquors, except alcohol, for
15 consumption on the premises; provided that a condominium hotel
16 licensee, with commission approval, may provide off-premises
17 catering; provided further that the catering activity is
18 directly related to the licensee's operation as a condominium
19 hotel.

20 Procedures such as room service, self-service (no-host),
21 minibars or similar service in apartments, and service at
22 private parties in areas that are the property of and contiguous



1 to the condominium hotel, are permitted with commission
2 approval.

3 A condominium hotel licensee shall not sell liquor in the
4 manner authorized by a class 4 retail dealer's license.

5 Any licensee who would otherwise fall within the
6 condominium hotel license class but holds a different class of
7 license may be required to apply for a condominium hotel
8 license.

9 [~~q~~] (p) It shall be unlawful for any retail licensee,
10 except a class 10 licensee, to purchase, acquire, or sell liquor
11 from any person other than a wholesaler licensed pursuant to
12 this chapter, except as otherwise provided in this section.

13 [~~r~~] (q) Any provision to the contrary notwithstanding,
14 at the discretion of the county liquor commission, permission
15 may be granted to a bona fide hotel, restaurant, or club
16 licensed under class 2, class 6, class 11, class 12, class 14,
17 or class 15 to allow a patron to remove from the licensed
18 premises any portion of wine that was purchased for consumption
19 with a meal; provided that it is recorked or resealed in its
20 original container. This subsection applies only to a valid
21 holder of a class 2, class 6, class 11, class 12, class 14, or
22 class 15 license engaged in meal service.



1 [~~s~~] (r) Sections 281-57 to 281-60 shall not apply to
2 classes [~~7~~] 8 through 10 and 13."

3 SECTION 6. Section 281-32, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§281-32 Licenses, temporary.** A temporary license of any
6 class and kind specified in section 281-31 may be granted under
7 the following conditions~~[-]~~ :

8 (1) The premises shall have been operated under a license
9 of the same class [~~and~~], kind, and category issued by
10 the liquor commission at least one year immediately
11 prior to the date of filing of the application for a
12 temporary license~~[-]~~, except as otherwise approved by
13 the commission;

14 (2) The license of the same class [~~and~~], kind, and
15 category then in effect for the premises shall be
16 surrendered in such manner and at such time as the
17 commission shall direct~~[-]~~ ;

18 (3) The applicant for a temporary license shall have filed
19 with the commission an application for a license of
20 the same class [~~and~~], kind, and category currently or
21 previously [~~then~~] in effect for the premises~~[-]~~ ;



1 (4) The application for a temporary license shall be
2 accompanied by a license fee in such amount as may be
3 prescribed by the commission. If the application is
4 denied or withdrawn, the fee which accompanied the
5 application shall [~~be refunded in full.~~] become a
6 realization of the county;

7 (5) A temporary license shall be for a period of not in
8 excess of one hundred and twenty days. The license
9 may be renewed at the discretion of the commission for
10 not more than one additional [~~sixty-day~~] one hundred
11 twenty-day period upon payment of such additional fee
12 as may be prescribed by the commission and upon
13 compliance with all conditions required in this
14 section and section 281-31. When a temporary license
15 has expired and no permanent license has been issued,
16 the sale and service of liquor shall cease until the
17 permanent license is issued; provided that, when
18 applicable, the license shall be properly renewed;

19 (6) A temporary license shall authorize the licensee to
20 purchase liquor only by payment in currency, check, or
21 certified check for the liquor before or at the time



1 of delivery of the liquor to the licensee[-], except
2 as otherwise provided by commission rule; and
3 (7) Sections 281-52 and 281-54 and sections 281-56 to
4 281-61 shall not apply to any application for a
5 temporary license."

6 SECTION 7. Section 281-35, Hawaii Revised Statutes, is
7 amended to read as follows:

8 **"§281-35 Special conditions; club licenses.** No liquor
9 shall be sold under a club license to any person not a member of
10 the club nor a guest thereof enjoying the [~~privilege~~] privileges
11 of membership, but a member or a guest enjoying the privileges
12 of membership may purchase liquor for consumption on the
13 premises by the person's own guests.

14 The liquor commission may by [~~regulations~~] rule require the
15 keeping and posting of lists of the members of a club, and the
16 keeping and production of records as to membership and the
17 registration of guests enjoying the privileges of membership.

18 No liquor shall be sold or kept for sale at any club except
19 by the club itself pursuant to its license. If any liquor is
20 sold or kept on the club premises for sale or barter by any
21 member, employee, or person other than the club itself, the club



1 shall be deemed to be selling without a license [~~whether it~~
2 ~~holds its own license or not~~]."

3 SECTION 8. Section 281-39, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 "(b) Except for a condominium hotel operator under a
6 class 15 license, no change of premises under any issued license
7 shall be allowed unless the doing of business on the new
8 premises is authorized in the same manner as provided by this
9 chapter for approval of any original premises; provided that the
10 holder of any manufacturer's license or a wholesale dealer's
11 license issued by the commission of any county may, through
12 authorized solicitors or representatives, solicit and take
13 orders for direct shipment [~~for~~] of liquor in permitted
14 quantities in any other county."

15 SECTION 9. Section 281-41, Hawaii Revised Statutes, is
16 amended to read as follows:

17 "§281-41 Transfer of licenses; notice of change in
18 officers, directors, and stockholders of corporate licenses,
19 partners of a partnership license, and members of a limited
20 liability company license; penalty. (a) No license issued
21 under this chapter to an original applicant or to any transferee
22 shall be transferable or be transferred within one year of the



1 issuance or transfer, except for good cause shown to the
 2 satisfaction of the liquor commission. Transfers shall be for
 3 the same class, kind, and category of license then in effect.
 4 No license issued under this chapter shall be transferable or be
 5 transferred except upon written application to the commission by
 6 the proposed transferee, and after prior inspection of the
 7 premises, reference to, and report by an inspector, and a public
 8 hearing held by the commission not less than fourteen days after
 9 one publication of notice thereof, but without sending notice of
 10 the hearing by mail to persons being the owners or lessees of
 11 real estate situated within the vicinity of the premises and
 12 without the right to [~~the owners or lessees to protest the~~
 13 ~~transfer of a license.~~] automatic refusal based on protests by
 14 40 per cent of owners and lessees, or registered voters pursuant
 15 to section 281-39.5, or the majority of owners and lessees, or
 16 registered voters pursuant to section 281-59. Exceptions are
 17 class 5 and 11 licensees who must comply with the [notice]
 18 requirements as set forth in [~~section 281-57.~~] sections 281-51
 19 to 281-60.

20 [~~(b) No class 5 or 12 license issued to a standard bar, as~~
 21 ~~defined in section 281-1, shall be transferable to other than a~~
 22 ~~standard bar and that such license shall be subject to~~



1 ~~revocation if the licensed premises is not retained as a~~
2 ~~standard bar except upon written application to the commission~~
3 ~~by the licensee or the proposed transferee, subject to sections~~
4 ~~281-51 to 281-60.~~

5 ~~(e)~~ (b) A county may increase the requirements for
6 transfers of class 5, category ~~[(+)]~~ (1) ~~[(+)]~~ (B) and (D), and class
7 11 licenses by ordinance designating one or more areas within
8 the county as special liquor districts and specifying the
9 requirements applicable to transfers of any of these licenses
10 within each district.

11 ~~[(d)]~~ (c) For the purpose of this section, "special liquor
12 district" means an area designated by a county for restoration,
13 reservation, historic preservation, redevelopment, rejuvenation,
14 or residential protection, in which development is guided to
15 protect or enhance the physical and visual aspects of the area
16 for the benefit of the community as a whole.

17 ~~[(e)]~~ (d) Where a license is held by a partnership, the
18 commission may, notwithstanding this section, approve the
19 transfer of the ~~[license]~~ partnership interest upon the death or
20 withdrawal of a member of the partnership to any remaining
21 partner or partners or to a new partner or partners without
22 publication of notice ~~[and without]~~ at a public hearing. Prior



1 to the admission or withdrawal of a partner or partners, the
2 licensee shall so notify the commission in writing, stating the
3 name, age, and place of residence of the partner or partners who
4 have withdrawn or been admitted, as the case may be. If the
5 commission finds a partner to be an unfit or improper person to
6 hold a license in the partner's own right pursuant to section
7 281-45, it may revoke or suspend the license of the partnership
8 until the unfit or improper partner is removed and replaced.

9 ~~[(f)]~~ (e) Where a license is held by a limited
10 partnership, limited liability partnership, or a limited
11 liability company, the admission or withdrawal of a partner,
12 limited partner, partner of a limited liability partnership, or
13 a member of the limited liability company shall not be deemed a
14 transfer of the license held by the partnership or limited
15 liability company, but the licensee shall, prior to such
16 admission or withdrawal, so notify the commission in writing,
17 stating the name of the partner, partners, member, or members
18 who have withdrawn, if such be the case, and the name, age, and
19 place of residence of the partner, partners, member, or members
20 who have been admitted, if that be the case. If the commission
21 finds a ~~[limited]~~ partner or a member to be an unfit or improper
22 person to hold a license in the ~~[limited]~~ partner's or member's



1 own right pursuant to section 281-45, it may revoke [the
2 license] or suspend the license of the partnership or the
3 limited liability company until the unfit or improper partner or
4 member is removed or replaced.

5 [~~g~~] (f) Except as otherwise provided in this section,
6 the same procedure shall be followed in regard to the transfer
7 of a license as is prescribed by this chapter for obtaining a
8 license. Sections 281-51 to 281-60, except where inconsistent
9 with any provision hereof, are hereby made applicable to such
10 transfers. The word "applicant", as used in such sections,
11 shall include each such proposed transferee, and the words,
12 "application for a license or for the renewal of a license", as
13 used in such sections, shall include an application for the
14 transfer of a license.

15 [~~h~~] (g) Upon the hearing, the commission shall consider
16 the application and any objections to the granting thereof and
17 hear the parties in interest. It shall inquire into the
18 propriety of each transfer and determine whether the proposed
19 transferee is a fit and proper person to hold the license. It
20 may approve a transfer or refuse to approve a transfer and the
21 refusal by the commission to approve a transfer shall be final



1 and conclusive, unless an appeal is taken as provided in
2 chapter 91.

3 ~~(j)~~ (h) If any licensee without such approval transfers
4 to any other person the licensee's business for which the
5 licensee's license was issued, either openly or under any
6 undisclosed arrangement, whereby any person, other than the
7 licensee, comes into possession or control of the business or
8 takes in any partner or associate, the commission may in its
9 discretion suspend or cancel the license.

10 ~~(j)~~ (i) If the licensee is a corporation, a change in
11 ownership of any outstanding capital stock shall not be deemed a
12 transfer of a license; provided that in the case of a change in
13 ownership of twenty-five per cent or more of the stock or in the
14 case of change in ownership of any number of shares of the stock
15 that results in the transferee thereof becoming the owner of
16 twenty-five per cent or more of the outstanding capital stock,
17 the corporate licensee shall, prior to the date of the transfer,
18 apply for and secure the approval of the transfer from the
19 commission in writing. If the commission finds that the
20 proposed transferee is an unfit or improper person to hold a
21 license in the proposed transferee's own right pursuant to
22 section 281-45, it shall not approve the proposed transfer. If



1 any transfer is made without the prior approval of the
2 commission, the commission may in its discretion revoke or
3 suspend the license until it determines that the transferee is a
4 fit and proper person, and if the commission finds that the
5 transferee is not a fit and proper person, until a retransfer or
6 new transfer of the capital stock is made to a fit and proper
7 person pursuant to section 281-45. In addition, the corporate
8 licensee shall, within thirty days from the date of election of
9 any officer or director, notify the commission in writing of the
10 name, age, and place of residence of the officer or director.
11 If the commission finds the transferee, officer, or director an
12 unfit or improper person to hold a license in the transferee's,
13 officer's, or director's own right pursuant to section 281-45,
14 it may in its discretion revoke the license or suspend the
15 license until a retransfer or new transfer of the capital stock
16 is effected to a fit or proper person pursuant to section 281-45
17 or until the unfit or improper transferee, officer, or director
18 is removed or replaced by a fit and proper person pursuant to
19 section 281-45.

20 ~~[(k)]~~ (j) If a licensee closes out the business for which
21 the license is held, during the term for which the license was
22 issued, the licensee shall, within five days from the date of



1 closing the same, give the commission written notice thereof and
2 surrender the licensee's license for cancellation.

3 (k) The conversion of an entity into any other form of
4 entity and the merger of any entity with any other entity shall
5 not be deemed a transfer of the license; provided that the
6 licensee, prior to the date of the conversion or merger, shall
7 apply for and secure the approval of the commission without any
8 requirement for publication of notice. The foregoing shall not
9 preclude compliance with subsection (d) upon a change in any of
10 the partners or members, or with subsection (i) upon a change in
11 any of the shareholders, officers, or directors of any entity
12 occurring concurrently with a conversion or merger."

13 SECTION 10. Section 281-45, Hawaii Revised Statutes, is
14 amended to read as follows:

15 **"§281-45 No license issued, when.** No license shall be
16 issued under this chapter:

17 (1) To any minor or to any person who has been convicted
18 of a felony and not pardoned (except that the
19 commission may grant a license under this chapter to a
20 corporation that has been convicted of a felony where
21 the commission finds that the organization's officers
22 and shareholders of twenty-five per cent or more of



1 outstanding stock are fit and proper persons to have a
2 license), or to any other person not deemed by the
3 commission to be a fit and proper person to have a
4 license;

- 5 (2) To a corporation the officers and directors of which,
6 or any of them, would be disqualified under paragraph
7 (1) [~~of this section~~] from obtaining the license
8 individually, or a stockholder of which, owning or
9 controlling twenty-five per cent or more of the
10 outstanding capital stock, or to a general
11 partnership, limited partnership, limited liability
12 partnership, or limited liability company whose
13 partner or member holding twenty-five per cent or more
14 interest of which, or any of them would be
15 disqualified under [~~that~~] paragraph (1) from obtaining
16 the license individually;

- 17 (3) Unless the applicant for a license or a renewal of a
18 license, or in the case of a transfer of a license,
19 both the transferor and the transferee, present to the
20 issuing agency a signed certificate from the director
21 of taxation and from the Internal Revenue Service
22 showing that the applicant or the transferor and



1 transferee do not owe the state or federal governments
2 any delinquent taxes, penalties, or interest; or
3 (4) To any applicant who has had any liquor license
4 revoked less than two years previous to the date of
5 the application for any like or other license under
6 this chapter."

7 SECTION 11. Section 281-52, Hawaii Revised Statutes, is
8 amended to read as follows:

9 **"§281-52 Public hearing.** No license shall be granted
10 except after a public hearing by the liquor commission upon
11 notice as prescribed in this chapter; provided that [~~section~~]
12 sections 281-57 to 281-60 shall not apply to the holder of a
13 restaurant general license, a wholesale general license, [~~or~~] a
14 retail general license, or a dispenser's general license, who
15 applies for a different kind of license within the class of the
16 holder's existing license, on the same premises, or to the
17 holder of a cabaret license who applies for a dispenser license
18 of any kind, on the same premises, or to the holder of a
19 dispenser's beer and wine license who applies for dispenser's
20 beer license, on the same premises, or to a licensee whose
21 licensed premises have been demolished and replaced by another
22 building on the same premises and who applies for the same or



1 lesser kind of the same class of liquor license previously held
2 by the licensee on said premises."

3 SECTION 12. Section 281-53, Hawaii Revised Statutes, is
4 amended to read as follows:

5 **"§281-53 Application; penalty for false statements.** Every
6 application for a license or for the renewal of a license or for
7 the transfer of a license shall be in writing, signed and,
8 except for the renewal of a license, verified by the oath of the
9 applicant, or in the case of a corporation or unincorporated
10 association by the proper officer or officers thereof, or if a
11 partnership by a general partner thereof, or if a limited
12 liability partnership by a partner thereof, or if a limited
13 liability company by a member thereof, made before any official
14 authorized by law to administer oaths, and shall be addressed to
15 the liquor commission, and set forth:

16 (1) The full name, age, and place of residence of the
17 applicant; if a copartnership, the names, ages, and
18 respective places of residence of all the partners; if
19 a limited liability company, its full name and the
20 names of all its members; if a corporation or
21 joint-stock company, its full name and the names of
22 its officers and directors, and the names of all



1 stockholders owning twenty-five per cent or more of
2 the outstanding capital stock; and if any other
3 association of individuals, the names, ages, and
4 respective places of residence of its officers and the
5 number of its members;

6 (2) A particular description of the place or premises
7 where the proposed license is to be exercised, so that
8 the exact location and extent thereof may be clearly
9 and definitely determined therefrom;

10 (3) The class and kind of license applied for; and

11 (4) Any other matter or information pertinent to the
12 subject matter which may be required by the rules [and
13 ~~regulations~~] of the commission.

14 If any false statement is knowingly made in any application
15 which is verified by oath, the applicant, and in the case of the
16 application being made by a corporation, limited liability
17 company, association, or club, the persons signing the
18 application, shall be guilty of perjury, and shall be subject to
19 the penalties prescribed by law for such offense. If any false
20 statement is knowingly made in any application which is not
21 verified by oath, the person or persons signing the application



1 shall be guilty of a misdemeanor and upon conviction thereof
2 shall be punished as in section 281-102 provided."

3 SECTION 13. Section 281-56, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) On every application referred to the investigator
6 under section 281-55, the investigator shall report in writing
7 to the liquor commission and, if the application is for a
8 license of any class other than [~~class 7,~~] class 8, [~~e~~]
9 class 9, or class 10, such report shall [~~show~~] include:

10 (1) A description of the premises intended to become the
11 licensed premises, and the equipment and surrounding
12 conditions, including the relationship to surrounding
13 residences which may share a common boundary or a
14 common structure with the premises proposed for
15 licensing;

16 (2) If the application is made by a person who has held a
17 prior license for the same or any other premises
18 within two years past, a statement as to the manner in
19 which the premises have been operated and the business
20 conducted under the previous license;

21 (3) The locality of any church, chapel, or school, if any,
22 within a distance of five hundred feet from the



- 1 nearest point of the premises for which the license is
2 asked to the nearest point of the church, chapel, or
3 school grounds;
- 4 (4) The number, position, and distance from the premises,
5 in respect of which a license is applied for, of any
6 other licensed premises of the same class in the
7 neighborhood;
- 8 (5) The number of licenses of the same class or kind
9 already issued and being lawfully exercised within the
10 county;
- 11 (6) Whether or not in the opinion of the investigator the
12 applicant is a fit and proper person to have a
13 license;
- 14 (7) Whether or not the applicant is for any reason
15 disqualified by this chapter from obtaining or
16 exercising a license; and whether or not the applicant
17 has complied with all the requirements of this chapter
18 relative to the making and filing of the applicant's
19 application;
- 20 (8) For the next application for a license that was
21 previously denied, refused, or withdrawn, evidence, to
22 be provided by the applicant, of a substantial change



1 in the circumstances that caused the previous denial,
2 refusal, or withdrawal; and
3 (9) Any and all other matters and things, [~~which~~] that in
4 the judgment of the investigator pertain to or affect
5 the matter of the application, or the issuance or the
6 exercise of the license applied for; provided that
7 when the license application is for premises within a
8 county [~~encompassing~~] with a population of [~~500,000~~]
9 five hundred thousand residents or more, the report
10 shall specify the possible adverse effects the
11 premises, after licensing, may have on the surrounding
12 community."

13 SECTION 14. Section 281-57, Hawaii Revised Statutes, is
14 amended by amending subsections (b), (c), and (d) to read as
15 follows:

16 "(b) If no preliminary hearing is had or if the
17 application is not denied upon a preliminary hearing, the
18 commission shall fix a day for the public hearing of the
19 application (other than an application for an alcohol license or
20 a license in classes [~~7~~] 8 to 10 and 13) and shall give public
21 notice of the hearing at least once in each of two consecutive
22 weeks, in the county, the date of the hearing to be not less



1 than forty-five days after the first notice. The notice shall
2 require that all protests or objections against the issuance of
3 the license applied for shall be filed with the administrator of
4 the commission at or before the time of hearing. Before giving
5 the notice the commission shall collect from the applicant the
6 cost of giving the public notice or require a deposit to cover
7 the same.

8 (c) Immediately upon the commission's fixing a day for the
9 public hearing of the application, the applicant shall mail a
10 notice setting forth the time and place of the hearing on the
11 application to each of the following:

12 (1) Not less than two-thirds of the owners and lessees of
13 record of real estate and owners of record of shares
14 in a cooperative apartment or to those individuals on
15 the list of owners as provided by the managing agent
16 or governing body of the shareholders association
17 situated within a distance of five hundred feet from
18 the nearest point of the premises for which the
19 license is asked to the nearest point of such real
20 estate or cooperative apartment; provided that in
21 meeting this requirement, the applicant shall mail a
22 notice to not less than three-fourths of the owners



1 and lessees of record of real estate and owners of
2 record of shares in a cooperative apartment situated
3 within a distance of one hundred feet from the nearest
4 point of the premises for which the license is asked.
5 Notice by mail may be addressed to the last known
6 address of the person concerned or to the address as
7 shown in the last tax return filed by the person or
8 the person's agent or representative;

- 9 (2) In counties with a population of [~~two hundred fifty~~
10 ~~thousand~~] five hundred thousand or more, not less than
11 two-thirds of the registered voters residing within,
12 and small businesses situated within, a distance of
13 five hundred feet from the nearest point of the
14 premises for which the license is asked; provided that
15 in meeting this requirement, the applicant shall mail
16 notices to not less than three-fourths of the
17 registered voters residing within, and small
18 businesses situated within, a distance of one hundred
19 feet from the nearest point of the premises for which
20 the license is asked. This paragraph shall not apply
21 to [~~any applicant that is a hotel as defined in~~
22 ~~section 486K 1, a condominium hotel, a restaurant, or~~



1 ~~a convenience store.]~~ applications for class 2,
2 class 4, class 12, and class 15 licenses. A notice
3 sent pursuant to this paragraph shall be addressed to
4 the "occupant" of the residential unit or small
5 business; and

- 6 (3) For each condominium project and cooperative apartment
7 within the five hundred-foot area, one notice of the
8 hearing shall be sent by mail addressed "To the
9 Residents, Care of the Manager", followed by the name
10 and address of the condominium or cooperative
11 apartment involved.

12 The notices required under this subsection shall be mailed at
13 least forty-five days prior to the date set for the hearing. No
14 promotional information shall be allowed on, or accompany the
15 notice. Before the hearing, and within seven business days of
16 having mailed the notices, the applicant shall file with the
17 commission an affidavit that the notices have been mailed in
18 compliance with this subsection. In addition to the affidavit
19 (which shall be made available within the same [~~seven-day~~
20 seven-business-day period with proof of having mailed the
21 notices), the applicant shall include both a master list of one
22 hundred per cent of addressees and addresses required by



1 paragraphs (1), (2), and (3), and another mailing list
2 consisting of the portion of addressees and their respective
3 addresses who were mailed the notice purposely needed to meet
4 the requirements of paragraphs (1), (2), and (3). The
5 affidavit, master list, and mailing list shall be made available
6 within seven business days (of the mailing of the notice by the
7 applicant) by the commission for public review upon request.
8 For purposes of this section, "master list" means every owner
9 and lessee who would otherwise be required to receive notice of
10 the public hearing according to the requirement of paragraphs
11 (1), (2), and (3), even if they were not actually included in
12 the two-third or three-fourths requirement (as the case may be)
13 of paragraph (1) or (2), and every condominium project and
14 cooperative apartment qualifying in paragraph (3). [~~The~~
15 ~~commission shall cancel the hearing if not receiving the~~
16 ~~affidavit prior to the hearing or if discovering that the~~
17 ~~affidavit is false.~~] When the requirements of this section have
18 not been met, the commission may cancel the hearing or continue
19 the public hearing subject to the provisions of section 281-57
20 and this section.

21 (d) For purposes of this section, notice to one co-owner
22 and one co-lessee of real estate shall be sufficient notice to



1 all co-owners and all co-lessees of that real estate; and one
2 notice is sufficient to an owner or lessee of multiple parcels;
3 except that one notice shall be sent to each individual unit of
4 a cooperative apartment as provided in this section."

5 SECTION 15. Section 281-58, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "§281-58 **Protests.** Protests against the granting of a
8 license may be filed by any person. Protests against the
9 granting of a license upon such application, which qualifies for
10 an automatic refusal pursuant to section 281-39.5 or 281-59, may
11 be so filed by any registered voter for the area within five
12 hundred feet of the nearest point at which the applicant
13 proposes to establish or continue the applicant's business under
14 the license applied for, or by any owner or lessee of record of
15 real estate or by any owner of record of a share in a
16 cooperative apartment situated within a distance of five hundred
17 feet from the nearest point of the premises for which the
18 license is asked to the nearest point of such real estate or
19 cooperative apartment."

20 SECTION 16. Section 281-59, Hawaii Revised Statutes, is
21 amended amending subsections (a) and (b) to read as follows:



1 "(a) Upon the day of hearing, or any adjournment thereof,
2 the liquor commission shall consider the application and any
3 protests and objections to the granting thereof, and hear the
4 parties in interest. The liquor commission shall accept all
5 written or oral testimony for or against the application whether
6 the application is denied, refused, or withdrawn. Within
7 fifteen days after the hearing, or within thirty days thereafter
8 if in its discretion the commission extends the fifteen days to
9 thirty days, and gives public notice of same, the commission
10 shall give its decision granting or refusing the application;
11 provided that if a majority of the:

- 12 (1) Registered voters for the area within five hundred
13 feet of the nearest point of the premises for which
14 the license is asked; or
 - 15 (2) Owners and lessees of record of real estate and owners
16 of record of shares in a cooperative apartment within
17 five hundred feet of the nearest point of the premises
18 for which the license is asked[+]_
- 19 have duly filed or caused to be filed their protests against the
20 granting of the license, or if there appears any other
21 disqualification under this chapter, the application shall be



1 refused. Otherwise, the commission may in its discretion grant
2 or refuse the same.

3 For purposes of defining "a majority of the owners and
4 lessees of record of real estate and owners of record of shares
5 in a cooperative apartment", each property counts only once[-];
6 provided that roadways shall not be included. A protest
7 submitted by the majority of the co-owners or the majority of
8 the co-lessees of a property shall constitute a protest by all
9 the owners or lessees of record of that property. [~~Owners~~] A
10 protest filed by owners or lessees who own more than one
11 property [~~may count~~] shall be counted for each property.

12 (b) The liquor commission shall make available to the
13 applicant and any protester for review before the public
14 hearing, the protest list of those persons who filed a protest
15 or objection to the application; provided that the applicant
16 shall not use the protest list to attempt to influence in any
17 way any protester to withdraw the protest or objection. All
18 applicants and protesters may submit corrections, additions, and
19 subtractions to the master list and the protest list at the
20 public hearing[-]; provided that additions or corrections to the
21 voter registration list shall be certified by the clerk of the
22 county. The liquor commission shall rule on proposed



1 corrections, additions, and subtractions and give reasons for
2 the ruling."

3 SECTION 17. Section 281-61, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "§281-61 Renewals. (a) Other than for good cause, the
6 renewal of an existing license shall be granted upon the filing
7 of an application; provided that if:

8 (1) Complaints from the public;

9 (2) Reports from the commission's investigators; or

10 (3) Adjudications of the commission or the liquor control
11 adjudication board,

12 indicate that noise created by patrons departing from the
13 premises disturbs residents on the street or of the neighborhood
14 in which the premises are located, or that noise from the
15 premises or adjacent related outdoor areas [~~under the licensee's~~
16 ~~control~~] such as parking lots or lanais exceed standards
17 contained in state or county noise codes [~~and~~] or intrudes into
18 nearby residential units, the commission may deny the renewal
19 application or withhold the issuance of a renewed license until
20 corrective measures meeting the commission's approval are taken.

21 (b) The commission[~~7~~] or board, pursuant to section
22 281-17, at the time of renewal or at any time, may revoke,



1 suspend, or place conditions or restrictions on any license
2 issued under this chapter for the purpose of preventing
3 activities within the licensed premises or adjacent areas [~~under~~
4 ~~the licensee's control~~] that are potentially injurious to the
5 health, safety, and welfare of the public and neighborhood
6 including but not limited to criminal activity, including
7 assault, drug dealing, drug use, or prostitution, upon [~~petition~~
8 ~~of the administrator of the appropriate county agency,~~] proper
9 notice to the licensee, and a hearing before the commission
10 pursuant to chapter 91."

11 SECTION 18. Section 281-62, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§281-62 Reduction or increase in area of licensed**
14 **premises.** The liquor commission may, in its discretion, permit
15 the reduction or the increase in the area of the licensed
16 premises of any licensee [~~-~~] without publication of notice at a
17 public hearing; provided that, where an increase in premises may
18 significantly impact the public, the commission may require
19 hearings pursuant to sections 281-39.5 and 281-57 to 281-60.
20 Whenever any reduction or increase is permitted, the same shall
21 be endorsed in some appropriate manner upon the license."



1 SECTION 19. Section 281-78, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§281-78 Prohibitions.** (a) No person shall, except as
4 permitted in section 291-3.4, consume any liquor on any public
5 highway or any public sidewalk.

6 (b) At no time under any circumstances shall any licensee
7 or its employee:

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

10 (A) Any minor;

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

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

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

17 provided that the consumption or sale of liquor to a
18 minor shall not be deemed to be a violation of this
19 subsection if, in making the sale or allowing the
20 consumption of any liquor by a minor, the licensee was
21 misled by the appearance of the minor and the
22 attending circumstances into honestly believing that



1 the minor was of legal age and the licensee acted in
2 good faith; and provided further that it shall be
3 incumbent upon the licensee to prove that the licensee
4 so acted in good faith;

5 (2) Permit any liquor to be consumed on the premises of
6 the licensee or on any premises connected therewith,
7 whether there purchased or not, except as permitted by
8 the terms of its license;

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

16 (4) Permit any liquor to be sold or served by any person
17 below the age of eighteen years upon any licensed
18 premises, except in individually specified licensed
19 establishments found to be otherwise suitable by the
20 liquor commission in which an approved program of job
21 training and employment for dining room waiters and
22 waitresses is being conducted in cooperation with the



1 University of Hawaii, the [state] community college
2 system, or a federally sponsored personnel development
3 and training program, under arrangements that ensure
4 proper control and supervision of employees;

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

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

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

20 (8) Receive from a person, as payment or as a
21 consideration for liquor, any personal or household
22 goods, including clothing and food, or any implements



1 of trade. Any person violating this paragraph shall
2 be guilty of a misdemeanor and upon conviction shall
3 be punished as provided in section 281-102.

4 (c) It shall be unlawful for any person to sell
5 intoxicating liquor in any form other than for consumption as a
6 beverage."

7 SECTION 20. Section 281-91, Hawaii Revised Statutes, is
8 amended to read as follows:

9 **"§281-91 Revocation or suspension of license; hearing.**

10 The liquor commission or liquor control adjudication board may
11 revoke any license at any time issued, or suspend the right of
12 the licensee to use the licensee's license, or assess and
13 collect a [~~penalty,~~] fine, or reprimand the licensee, either for
14 the violation of any condition of the license or of any
15 provisions of this chapter or of any rule [~~or regulation~~]
16 applicable thereto, or upon the conviction in a court of law of
17 the licensee of any violation of this chapter or of any other
18 law relative to the licensee's license or the proper exercise
19 thereof, or of any violation of law in any other respect on
20 account whereof the commission or board may deem the licensee to
21 be an unfit or improper person to hold a license, or for any
22 other cause deemed sufficient by the commission or board.



1 In every case where it is proposed to revoke or suspend the
2 exercise of any license or assess and collect a [~~penalty~~] fine
3 for any cause other than a conviction at law of the licensee as
4 above specified, the licensee shall be entitled to notice and
5 hearing in conformity with chapter 91, the notice to be given at
6 least five days before the hearing, except that any special
7 license shall be subject to summary revocation for any violation
8 of or evidence of intent to violate the proper exercise thereof,
9 without hearing before the commission or board.

10 At the hearing, before final action is taken by the
11 commission or board, the licensee shall be entitled to be heard
12 in person or through counsel and shall be given a full and fair
13 opportunity to present any facts showing that the alleged cause
14 or causes for the proposed action do not exist, or any reasons
15 why no [~~penalty~~] fine should be imposed. The testimony taken at
16 the hearing shall be under oath and recorded stenographically,
17 or by machine, but the parties shall not be bound by the strict
18 rules of evidence; certified copies of any transcript and of any
19 other record made of or at the hearing shall be furnished to the
20 licensee upon the licensee's request and at the licensee's
21 expense.



1 Any order of revocation, suspension, fine, or reprimand
2 imposed by the commission or board upon the licensee shall be in
3 addition to any penalty that might be imposed upon the licensee
4 upon the licensee's conviction [~~at~~] in a court of law for any
5 violation of this chapter. The liquor commission or liquor
6 control adjudication board may subject the licensee to both the
7 fine assessed and suspension of the license. No licensee shall
8 be subject to both the [~~penalty~~] fine assessed and collected by
9 the commission or board and to revocation [~~or suspension~~] of
10 license. The amount of [~~penalty~~] fine assessed and collected by
11 the commission or board from any licensee for any particular
12 offense shall not exceed the sum of [~~\$2,000.~~] \$5,000.

13 Whenever the service of any order or notice shall be
14 required by this section, the service shall be made in the
15 following manner: in the case of any violation based upon the
16 personal observation of any investigator, a written notice of
17 the violation shall be given to the licensee or the licensee's
18 registered manager in active charge of the premises, or by
19 serving a certified copy of the notice or order upon the holder
20 of the license wherever the holder may be found in the circuit
21 wherein the holder is licensed, or, if the holder cannot be
22 found after diligent search, by leaving a certified copy thereof



1 at the holder's dwelling house or usual place of abode with some
2 person of suitable age and discretion residing therein; and if
3 the holder of the license cannot be found after diligent search,
4 and service cannot be made, then service may be made by posting
5 a certified copy of the notice or order in a conspicuous place
6 on the licensed premises and depositing another certified copy
7 thereof in the certified mail of the United States post office,
8 postage prepaid, addressed to the holder of the license at the
9 holder's last known residence address; provided that in the case
10 of a partnership, corporation, unincorporated association, or
11 limited liability company, service may be made upon any partner,
12 officer, or member thereof."

13 SECTION 21. Section 281-32.3, Hawaii Revised Statutes, is
14 repealed.

15 ~~["§281-32.3 One day special licenses for fundraising~~
16 ~~events. Notwithstanding any other section of this chapter to~~
17 ~~the contrary, the commission shall adopt rules to streamline~~
18 ~~procedures including the waiving of hearings, fees, notarization~~
19 ~~of documents, submission of floor plans, and other requirements,~~
20 ~~to provide for the issuance of special licenses for the sale of~~
21 ~~liquor for a period not to exceed one day, for classes of~~
22 ~~fundraising events by nonprofit organizations established by the~~



1 ~~commission. The commission shall also adopt rules to facilitate~~
2 ~~the issuance of such licenses through the mail.~~

3 ~~Any registered educational or charitable nonprofit~~
4 ~~organization may sell liquors in their original packages for~~
5 ~~off premises consumption for fundraising events allowed in this~~
6 ~~section, in accordance with rules adopted by the commission~~
7 ~~pursuant to chapter 91."]~~

8 SECTION 22. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 23. This Act shall take effect on July 1, 2050.



Report Title:

Liquor Law; Technical Changes

Description:

Amends sections of chapter 281, HRS, to update the liquor laws.
Effective 7/1/2050. (SD1)

