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## LEGISLATIVE ACTION BRIEF

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### Liquor Licensing

**Q. *Bring-your-own-beveraged (BYOB) liquor establishments are currently unregulated under any class of liquor license. Yet, BYOBs can be as loud and stay open as late as any licensed bar or nightclub. Some have said that BYOBs should be regulated. Will this be the case?***

**A.** For all practical intent and purposes, BYOBs look like liquor establishments and should be regulated accordingly. Unregulated BYOB establishments have created major disturbances in some urban areas for the past four to five years. These BYOBs are adjacent to numerous condominiums and the noise and disruptive behavior from patrons of these BYOB businesses are a constant nuisance to nearby residents.

**Q. *What did the 2010 Legislature pass to regulate BYOBs?***

**A.** Beginning July 1, 2010, **SB2545, SD2, HD2, CD1**, establishes a class 17 bring-your-own-beverage license liquor license in counties having a population in excess of 500,000. In a county having a population of 500,000 or less, the respective liquor commission may establish a class 17 license. A class 17 licensee is restricted to allowing patrons to bring their own liquors for consumption on the premises between the hours of 6:00 a.m. to 2:00 a.m. the following day.

**Q. *What specifically does a class 17 liquor license require?***

**A.** A general license of this class shall authorize the licensee to permit patrons to bring their own liquors for consumption on the premises between the hours of 6:00 a.m. to 2:00 a.m. the following day. A licensee under this class shall be issued a license according to the category of establishment the licensee owns or operates. The categories of establishments are as follows:

- Premises in which recorded music and live entertainment, including karaoke, are provided; or
- Premises in which recorded music and live entertainment, including karaoke and dancing,

**Q. *When is a liquor establishment required to obtain a class 17 license?***

**A.** Any premises that desires to operate after 12:00 a.m. until 2:00 a.m. shall obtain a class 17 liquor license and shall be subject to the requirements adopted by the liquor commission of the county in which the premises are located during all hours of operation, except as otherwise provided by law.

The new law also makes it unlawful for any person who keeps or maintains any restaurant or other premises where food, beverages, or entertainment are provided, or brought in by patrons or guests, whether for compensation or not, or to which members of the public, or members of an

organization, resort for food, refreshment, or entertainment, and who is not a licensed, to promote, encourage, aid, or permit the consumption of liquor on the premises, except during the hours between 6:00 a.m. and 12:00 a.m.

**Q. *Many people like to bring their own liquor into a restaurant but they become discouraged when they cannot bring home the unconsumed liquor. Did the Legislature address this issue during the 2010 Regular Session?***

**A. **SB2545, SD2, HD2, CD1**, allows a patron of any class of licensed premises to remove from the licensed premises any portion of wine, liquor, or beer that was brought onto the premises of the licensee engaged in meal service for consumption with a meal, provided that it is recorked or resealed in its original container.**

**Q. *Brewpubs are becoming very popular, but they are limited by law to a manufacture limit of 10,000 barrels? Will this change?***

**A. **SB2545, SD2, HD2, CD1**, increases the manufacturing limit of class 14 brewpub licenses from 10,000 to 30,000 barrels of malt beverages on the licensee's premises during the license year. However, all class 14 activities must be conducted at one location other than the licensee's premises, and the manufacturing must take place in Hawaii and the other location must be properly licensed under the same ownership.**

**Q. *Current law requires the small "mom and pop" liquor stores to carry liquor liability insurance policies of a minimum of \$1,000,000. Many such small places cannot afford the premiums. Will they get relief?***

**A. Yes.** This measure also provides that convenience minimarts, such as "mom and pop stores," holding a class 4 license shall not be required to maintain liquor liability insurance coverage in that amount.