

DAVID Y. IGE

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,

DAVID Y. IGE

Governor, State of Hawaiii

## Approved by the Governor on JUN 21 2019

HOUSE OF REPRESENTATIVES THIRTIETH LEGISLATURE, 2019 STATE OF HAWAII

#### ORIGINAL

ACT 115 H.B. NO. 546 H.D. 2 S.D. 1 C.D. 1

## A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1 The legislature finds that Hawaii's liquor laws SECTION 1. contain inconsistencies regarding liquor manufacturing and 2 sales. 3 4 Accordingly, the purpose of this Act is to: 5 (1) Allow a class 18 small craft producer pub licensee to manufacture not more than seventy thousand barrels of 6 7 malt beverages on the licensee's premises during the 8 license year; Clarify that a class 14 brewpub licensee or class 18 9 (2) 10 small craft producer pub licensee may conduct certain activities at satellite locations other than the 11 12 licensee's primary manufacturing premises under 13 certain conditions; and 14 Clarify the definition of "growler". 15 SECTION 2. Section 281-31, Hawaii Revised Statutes, is amended as follows: 16

## H.B. NO. H.D. 2 S.D. 1

1	1. 1	By amending subsection (n) to read:
2	"(n)	Class 14. Brewpub license. A brewpub licensee:
3	(1)	May sell malt beverages manufactured on the licensee's
4		premises for consumption on the premises;
5	(2)	May sell malt beverages manufactured by the licensee
6		in brewery-sealed packages to class 3 wholesale dealer
7		licensees pursuant to conditions imposed by the county
8		by ordinance or rule;
9	(3)	May sell intoxicating liquor purchased from a class 3
10		wholesale dealer licensee to consumers for consumption
11		on the licensee's premises. The categories of
12		establishments shall be as follows:
13		(A) A standard bar; or
14		(B) Premises in which live entertainment or recorded
15		music is provided. Facilities for dancing by the
16		patrons may be permitted as provided by
17		commission rules;
18	(4)	May, subject to federal labeling and bottling
19		requirements, sell malt beverages manufactured on the
20		licensee's premises to consumers in brewery-sealed
21		kegg and regulable or reugable containers and sell

## H.B. NO. H.D. 2 S.D. 1

1		malt beverages manufactured on the licensee's premises
2		or purchased from a class 1 manufacturer licensee, a
3		class 3 wholesale dealer licensee, a class 14 brewpub
4		licensee, or a class 18 small craft producer pub
5		licensee to consumers in growlers for off-premises
6		consumption; provided that for purposes of this
7		paragraph, "growler" means a [glass, ceramic, or
8		metal] recyclable or reusable container[7] that does
9		not [to] exceed one [half-gallon, which shall be
10		securely sealed;
11	<del>(5)</del>	May, subject to federal labeling and bottling
12		requirements, sell-malt-beverages manufactured on the
13		licensee's premises in recyclable containers provided
14		by the licensee or by the consumer which do not exceed
15		one] gallon [per container] and [are] is securely
16		sealed on the licensee's premises [to consumers for
17		off premises consumption];
18	[ <del>-(6)</del> ]	(5) Shall comply with all [regulations] requirements
19		pertaining to class 4 retail dealer licensees when
20		engaging in the retail sale of malt beverages;

## H.B. NO. H.D. 2 S.D. 1 C.D. 1

1	[ <del>(7)</del> ]	(6) May, subject to federal labeling and bottling
2		requirements, sell malt beverages manufactured on the
3		licensee's premises in brewery-sealed containers
4		directly to class 2 restaurant licensees, class 3
5		wholesale dealer licensees, class 4 retail dealer
6		licensees, class 5 dispenser licensees, class 6 club
7		licensees, class 8 transient vessel licensees, class 9
8		tour or cruise vessel licensees, class 10 special
9		licensees, class 11 cabaret licensees, class 12 hotel
10		licensees, class 13 caterer licensees, class 14
11		brewpub licensees, class 15 condominium hotel
12		licensees, class 18 small craft producer pub
13		licensees, and consumers pursuant to conditions
14		imposed by county [regulations] ordinances or rules
15		governing class 1 manufacturer licensees and class 3
16		wholesale dealer licensees;
17	[ <del>(8)</del> ]	(7) May conduct the activities under paragraphs (1)
18		to [ <del>(7)</del> ] <u>(6)</u> at [ <del>one location</del> ] <u>locations</u> other than
19		the licensee's primary manufacturing premises;
20		provided that:
21		(A) The manufacturing takes place in Hawaii. [and]

## H.B. NO. H.D. 2 S.D. 1 C.D. 1

1		(B)	[ <del>The</del> ]	Each of the other [location is] locations:
2			<u>(i)</u>	Operates within the State under the same
3			,	trade name for the premises; and
4			<u>(ii)</u>	Is properly licensed [under the same
5				ownership; within the county of its
6				operation as a class 1 manufacturer
7				licensee, class 2 restaurant licensee, class
8				4 retail dealer licensee, class 5 dispenser
9				licensee, class 12 hotel licensee, class 14
10				brewpub licensee, or class 18 small craft
11				producer pub licensee;
12		<u>(C)</u>	The o	county liquor commission of the county in
13		٠	whicl	the licensee satellite is located shall
14			have	jurisdiction of the satellite; and
15		<u>(D)</u>	All	requirements of the license class of the
16			locat	tion shall be in effect as required by the
17			count	ty liquor commission for the satellite
18			lice	nsed premises; and
19	[ <del>(9)</del> ]	<u>(8)</u>	May a	allow minors, who are accompanied by a parent
20		or 1	egal (	guardian of legal drinking age, on the
21		lice	nsee'	s premises."

## H.B. NO. 546 S.D. 1

1	2.	By amending subsection (r) to read:
2	"(r)	Class 18. Small craft producer pub license. A small
3	craft pro	ducer pub licensee:
4	(1)	Shall manufacture not more than:
5		(A) [Sixty] Seventy thousand barrels of malt
6		beverages;
7		(B) Twenty thousand barrels of wine; or
8		(C) Seven thousand five hundred barrels of alcohol on
9		the licensee's premises during the license year;
10		provided that for purposes of this paragraph, "barrel"
11		means a container not exceeding thirty-one gallons or
12		wine gallons of liquor;
13	(2)	May sell malt beverages, wine, or alcohol manufactured
14		on the licensee's premises for consumption on the
15		premises;
16	(3)	May sell malt beverages, wine, or alcohol manufactured
17		by the licensee in producer-sealed packages to class 3
18		wholesale dealer licensees pursuant to conditions
19		imposed by the county by ordinance or rule;
20	(4)	May sell intoxicating liquor purchased from a class 3
21		wholesale dealer licensee to consumers for consumption

#### H.B. NO. 546 H.D. 2 S.D. 1 C.D. 1

1		on the licensee a plemises. The categories of
2		establishments shall be as follows:
3		(A) A standard bar; or
4		(B) Premises in which live entertainment or recorded
5		music is provided. Facilities for dancing by the
6		patrons may be permitted as provided by
7		commission rules;
8	(5)	May, subject to federal labeling and bottling
9		requirements, sell malt beverages manufactured on the
10		licensee's premises to consumers in producer-sealed
11		kegs and recyclable or reusable containers and sell
12		malt beverages manufactured on the licensee's premises
13		or purchased from a class 1 manufacturer licensee, a
14		class 3 wholesale dealer licensee, a class 14 brewpub
15		licensee, or a class 18 small craft producer pub
16		licensee to consumers in growlers for off-premises
17		consumption; provided that for purposes of this
18		paragraph, "growler" means a [ <del>glass, ceramic, or</del>
19		metal] recyclable or reusable container[7] that does
20		not [to] exceed one [half-gallon,] gallon, which shall
21		be securely sealed;

## H.B. NO. H.D. 2 S.D. 1 C.D. 1

1	(6)	May, subject to federal labeling and bottling
2		requirements, sell [malt beverages,] wine[,] or
3		alcohol manufactured on the licensee's premises in
4		recyclable containers provided by the licensee or by
5		the consumer which do not exceed:
6		(A) One gallon per container for [malt beverages and]
7		wine; and
8		(B) One liter for alcohol; and
9		are securely sealed on the licensee's premises to
10		consumers for off-premises consumption;
11	(7)	Shall comply with all [regulations] requirements
12		pertaining to class 4 retail dealer licensees when
13		engaging in the retail sale of malt beverages, wine,
14		and alcohol;
15	(8)	May, subject to federal labeling and bottling
16	r	requirements, sell malt beverages, wine, and alcohol
17		manufactured on the licensee's premises in producer-
18		sealed containers directly to class 2 restaurant
19		licensees, class 3 wholesale dealer licensees, class 4
20		retail dealer licensees, class 5 dispenser licensees,
21		class & club licensees class & transient wessel

#### H.B. NO. 546 H.D. 2 S.D. 1

1		licensees, class 9 tour or cruise vessel licensees,
2		class 10 special licensees, class 11 cabaret
3		licensees, class 12 hotel licensees, class 13 caterer
4		licensees, class 14 brewpub licensees, class 15
5		condominium hotel licensees, class 18 small craft
6		producer pub licensees, and consumers pursuant to
7		conditions imposed by county [regulations] ordinances
8		or rules governing class 1 manufacturer licensees and
9		class 3 wholesale dealer licensees;
10	(9)	May conduct the activities under paragraphs (1) to (8)
11		at [one location] locations other than the licensee's
12		premises; provided that:
13		(A) The manufacturing takes place in Hawaii; [and]
14		(B) [The] Each of the other [location is] locations:
15		(i) Operates within the State under the same
16		trade name for the premises; and
17		(ii) Is properly licensed [under the same
18		ewnership; within the county of its
19		operation as a class 1 manufacturer
20		licensee, class 2 restaurant licensee, class
21		4 retail dealer licensee, class 5 dispenser

# H.B. NO.

1		licensee, class 12 hotel licensee, class 14
2		brewpub licensee, or class 18 small craft
3		producer pub licensee;
4	<u>(C)</u>	The county liquor commission of the county in
5		which the licensee satellite is located shall
6		have jurisdiction of the satellite; and
7	<u>(D)</u>	All requirements of the license class of the
8		location shall be in effect as required by the
9		county liquor commission for the satellite
10		licensed premises; and
11	(10) May	allow minors, who are accompanied by a parent or
12	lega	l guardian of legal drinking age, on the
13	lice	nsee's premises."
14	SECTION 3	. Statutory material to be repealed is bracketed
15	and stricken.	New statutory material is underscored.
16	SECTION 4	. This Act shall take effect on July 1, 2019.

APPROVED this 21 day of JUN , 2019

**GOVERNOR OF THE STATE OF HAWAII** 

Amid I Syn

#### HB No. 546, HD 2, SD 1, CD 1

#### THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 1, 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.

pon

Scott K. Saiki Speaker House of Representatives

This I That

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.

President of the Senate

Clerk of the Senate