A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

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

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

kegs and recyclable or reusable containers and sell

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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	(5)	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	[-(6)-]	(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;

1	[(7)]	(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
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	[(8)]	(7) May conduct the activities under paragraphs (1)
18		to [(7)] <u>(6)</u> at [one location] <u>locations</u> other than
19		the licensee's primary manufacturing premises;
20		provided that:
21		(A) The manufacturing takes place in Hawaii: [and]

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1		(B)	[The] Each of the	e other [location is] <u>locations:</u>
2			(i) Operates wit	thin the State under the same
3			trade name i	for the premises; and
4			<u>ii)</u> <u>Is</u> properly	licensed [under the same
5			ownership;	within the county of its
6			operation as	s a class 1 manufacturer
7			licensee, c	lass 2 restaurant licensee, class
8			4 retail dea	aler licensee, class 5 dispenser
9			licensee, c	lass 12 hotel licensee, class 14
10			brewpub lice	ensee, or class 18 small craft
11			producer pul	o licensee;
12		<u>(C)</u>	The county liquo	r commission of the county in
13			which the license	ee satellite is located shall
14			have jurisdiction	n of the satellite; and
15		(D)	All requirements	of the license class of the
16			location shall be	e in effect as required by the
17			county liquor co	mmission for the satellite
18			licensed premise	s; and
19	[(9)]	(8)	May allow minors	, who are accompanied by a parent
20		or	gal guardian of	legal drinking age, on the
21		lic	see's premises."	

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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)	(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		

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1 on the licensee's premises. The categories of
2 establishments shall be as follows:

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

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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		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 6 club licensees, class 8 transient vessel

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

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1		licensee, class 12 hotel licensee, class 14
2		brewpub licensee, or class 18 small craft
3		producer pub licensee;
4	(C)	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.

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Report Title:

Liquor Licenses; Brewpubs; Small Craft Producer Pubs; Satellite Locations; Retail Sales; Intoxicating Liquors; Containers; Manufacturers

Description:

Allows a class 18 small craft producer pub licensee to manufacture not more than 70,000 barrels of malt beverages on the licensee's premises during the license year. Clarifies that a class 14 brewpub licensee or class 18 small craft producer pub licensee may conduct certain activities at satellite locations other than the licensee's primary manufacturing premises under certain conditions. Clarifies the definition of "growler". (HB546 CD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.