
A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1 SECTION 1. The legislature finds that Hawaii's liquor laws
2 contain inconsistencies regarding liquor manufacturing and
3 sales. Furthermore, it is necessary to allow brewpubs and small
4 craft producer pubs to obtain a direct shipper permit because
5 such businesses usually do not have access to distributors that
6 can export their beer out of state.

7 Accordingly, the purpose of this Act is to:

- 8 (1) Permit small craft producer pub licensees to
9 manufacture not more than 125,000 barrels of malt
10 beverages on the licensee's premises per year;
- 11 (2) Allow brewpub licensees and small craft producer pub
12 licensees to conduct certain activities at satellite
13 locations;
- 14 (3) Clarify the definition of "growler"; and
- 15 (4) Allow brewpub licensees and small craft producer pub
16 licensees to obtain a direct shipper permit.



1 SECTION 2. Section 281-31, Hawaii Revised Statutes, is
2 amended as follows:

3 1. By amending subsection (n) to read:

4 "(n) Class 14. Brewpub license. A brewpub licensee:

5 (1) May sell malt beverages manufactured on the licensee's
6 premises for consumption on the premises;

7 (2) May sell malt beverages manufactured by the licensee
8 in brewery-sealed packages to class 3 wholesale dealer
9 licensees pursuant to conditions imposed by the county
10 by ordinance or rule;

11 (3) May sell intoxicating liquor purchased from a class 3
12 wholesale dealer licensee to consumers for consumption
13 on the licensee's premises. The categories of
14 establishments shall be as follows:

15 (A) A standard bar; or

16 (B) Premises in which live entertainment or recorded
17 music is provided. Facilities for dancing by the
18 patrons may be permitted as provided by
19 commission rules;

20 (4) May, subject to federal labeling and bottling
21 requirements, sell malt beverages manufactured on the



1 licensee's premises to consumers in brewery-sealed
 2 kegs and recyclable or reusable containers and sell
 3 malt beverages manufactured on the licensee's premises
 4 or purchased from a class 1 manufacturer licensee, a
 5 class 3 wholesale dealer licensee, a class 14 brewpub
 6 licensee, or a class 18 small craft producer pub
 7 licensee to consumers in growlers for off-premises
 8 consumption; provided that for purposes of this
 9 paragraph, "growler" means a [~~glass, ceramic, or~~
 10 ~~metal~~] recyclable or reusable container[~~7~~] that does
 11 not [~~to~~] exceed one [~~half-gallon, which shall be~~
 12 ~~securely sealed,~~

13 ~~(5) May, subject to federal labeling and bottling~~
 14 ~~requirements, sell malt beverages manufactured on the~~
 15 ~~licensee's premises in recyclable containers provided~~
 16 ~~by the licensee or by the consumer which do not exceed~~
 17 ~~one] gallon [per container] and [are] is securely~~
 18 ~~sealed on the licensee's premises [to consumers for~~
 19 ~~off-premises consumption];~~



1 ~~[(6)]~~ (5) Shall comply with all ~~[regulations]~~ requirements
2 pertaining to class 4 retail dealer licensees when
3 engaging in the retail sale of malt beverages;
4 ~~[(7)]~~ (6) May, subject to federal labeling and bottling
5 requirements, sell malt beverages manufactured on the
6 licensee's premises in brewery-sealed containers
7 directly to class 2 restaurant licensees, class 3
8 wholesale dealer licensees, class 4 retail dealer
9 licensees, class 5 dispenser licensees, class 6 club
10 licensees, class 8 transient vessel licensees, class 9
11 tour or cruise vessel licensees, class 10 special
12 licensees, class 11 cabaret licensees, class 12 hotel
13 licensees, class 13 caterer licensees, class 14
14 brewpub licensees, class 15 condominium hotel
15 licensees, class 18 small craft producer pub
16 licensees, and consumers pursuant to conditions
17 imposed by county ~~[regulations]~~ ordinances or rules
18 governing class 1 manufacturer licensees and class 3
19 wholesale dealer licensees;
20 ~~[(8)]~~ (7) May conduct the activities under paragraphs (1)
21 to ~~[(7)]~~ (6) at ~~[one location]~~ locations other than



1 the licensee's primary manufacturing premises;
2 provided that:

3 (A) The manufacturing takes place in Hawaii; ~~[and]~~

4 (B) ~~[The]~~ Each of the other [location is] locations:

5 (i) Operates within the State under the same
6 trade name for the premises; and

7 (ii) Is properly licensed [under the same
8 ownership,] within the county of its
9 operation as a class 1 manufacturer
10 licensee, class 2 restaurant licensee, class
11 4 retail dealer licensee, class 5 dispenser
12 licensee, class 12 hotel licensee, class 14
13 brewpub licensee, or class 18 small craft
14 producer pub licensee;

15 (C) The county liquor department of the county in
16 which the licensee satellite is located shall
17 have jurisdiction of the satellite; and

18 (D) All requirements of the license class of the
19 location shall be in effect as required by the
20 county liquor commission for the satellite
21 licensed premises; and



1 [~~9~~] (8) May allow minors, who are accompanied by a parent
2 or legal guardian of legal drinking age, on the
3 licensee's premises."

4 2. By amending subsection (r) to read:

5 "(r) Class 18. Small craft producer pub license. A small
6 craft producer pub licensee:

7 (1) Shall manufacture not more than:

8 (A) [~~Sixty~~] One hundred twenty-five thousand barrels
9 of malt beverages;

10 (B) Twenty thousand barrels of wine; or

11 (C) Seven thousand five hundred barrels of alcohol on
12 the licensee's premises during the license year;
13 provided that for purposes of this paragraph, "barrel"
14 means a container not exceeding thirty-one gallons or
15 wine gallons of liquor;

16 (2) May sell malt beverages, wine, or alcohol manufactured
17 on the licensee's premises for consumption on the
18 premises;

19 (3) May sell malt beverages, wine, or alcohol manufactured
20 by the licensee in producer-sealed packages to class 3



1 wholesale dealer licensees pursuant to conditions
2 imposed by the county by ordinance or rule;

3 (4) May sell intoxicating liquor purchased from a class 3
4 wholesale dealer licensee to consumers for consumption
5 on the licensee's premises. The categories of
6 establishments shall be as follows:

7 (A) A standard bar; or

8 (B) Premises in which live entertainment or recorded
9 music is provided. Facilities for dancing by the
10 patrons may be permitted as provided by
11 commission rules;

12 (5) May, subject to federal labeling and bottling
13 requirements, sell malt beverages manufactured on the
14 licensee's premises to consumers in producer-sealed
15 kegs and recyclable or reusable containers and sell
16 malt beverages manufactured on the licensee's premises
17 or purchased from a class 1 manufacturer licensee, a
18 class 3 wholesale dealer licensee, a class 14 brewpub
19 licensee, or a class 18 small craft producer pub
20 licensee to consumers in growlers for off-premises
21 consumption; provided that for purposes of this



1 paragraph, "growler" means a [~~glass, ceramic, or~~
2 ~~metal~~] recyclable or reusable container[~~7~~] that does
3 not [~~to~~] exceed one [~~half-gallon,~~] gallon, which shall
4 be securely sealed;

5 (6) May, subject to federal labeling and bottling
6 requirements, sell [~~malt beverages,~~] wine[~~7~~] or
7 alcohol manufactured on the licensee's premises in
8 recyclable containers provided by the licensee or by
9 the consumer which do not exceed:

10 (A) One gallon per container for [~~malt beverages and~~]
11 wine; and

12 (B) One liter for alcohol; and
13 are securely sealed on the licensee's premises to
14 consumers for off-premises consumption;

15 (7) Shall comply with all [~~regulations~~] requirements
16 pertaining to class 4 retail dealer licensees when
17 engaging in the retail sale of malt beverages, wine,
18 and alcohol;

19 (8) May, subject to federal labeling and bottling
20 requirements, sell malt beverages, wine, and alcohol
21 manufactured on the licensee's premises in producer-



1 sealed containers directly to class 2 restaurant
 2 licensees, class 3 wholesale dealer licensees, class 4
 3 retail dealer licensees, class 5 dispenser licensees,
 4 class 6 club licensees, class 8 transient vessel
 5 licensees, class 9 tour or cruise vessel licensees,
 6 class 10 special licensees, class 11 cabaret
 7 licensees, class 12 hotel licensees, class 13 caterer
 8 licensees, class 14 brewpub licensees, class 15
 9 condominium hotel licensees, class 18 small craft
 10 producer pub licensees, and consumers pursuant to
 11 conditions imposed by county [~~regulations~~] ordinances
 12 or rules governing class 1 manufacturer licensees and
 13 class 3 wholesale dealer licensees;

14 (9) May conduct the activities under paragraphs (1) to (8)
 15 at [~~one location~~] locations other than the licensee's
 16 premises; provided that:

17 (A) The manufacturing takes place in Hawaii; [~~and~~]

18 (B) [~~The~~] Each of the other [location is] locations:

19 (i) Operates within the State under the same
 20 trade name for the premises; and



1 (ii) Is properly licensed [~~under the same~~
 2 ~~ownership,~~] within the county of its
 3 operation as a class 1 manufacturer
 4 licensee, class 2 restaurant licensee, class
 5 4 retail dealer licensee, class 5 dispenser
 6 licensee, class 12 hotel licensee, class 14
 7 brewpub licensee, or class 18 small craft
 8 producer pub licensee;

9 (C) The county liquor department of the county in
 10 which the licensee satellite is located shall
 11 have jurisdiction of the satellite; and

12 (D) All requirements of the license class of the
 13 location shall be in effect as required by the
 14 county liquor commission for the satellite
 15 licensed premises; and

16 (10) May allow minors, who are accompanied by a parent or
 17 legal guardian of legal drinking age, on the
 18 licensee's premises."

19 SECTION 3. Section 281-33.6, Hawaii Revised Statutes, is
 20 amended to read as follows:



1 "§281-33.6 Direct shipment of beer by brewpubs and small
2 craft producers and wine by wineries. (a) Any person holding:
3 (1) A general excise tax license from the department of
4 taxation; and
5 (2) Either:
6 (A) A class 1, class 16, or class 18 license to
7 manufacture wine under section 281-31; [~~or~~]
8 (B) A license to manufacture wine issued by another
9 state, or
10 (C) A class 14 or class 18 license to manufacture
11 beer,
12 may pay any applicable fees and obtain a direct wine shipper or
13 beer shipper permit from the liquor commission of the county to
14 which the wine or beer will be shipped authorizing the holder to
15 directly ship wine or beer to persons in the county pursuant to
16 this section.
17 (b) The holder of a direct wine or beer shipper permit may
18 sell and annually ship to any person twenty-one years of age or
19 older in the county that issued the permit, no more than six
20 nine-liter cases of wine, and no more than forty-two gallons of



1 beer per household for personal use only and not for resale, and
2 shall:

- 3 (1) Ship wine or beer directly to the person only in
4 containers that are conspicuously labeled with the
5 words:
6 "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS
7 OR OLDER REQUIRED FOR DELIVERY.";
- 8 (2) Require that the carrier of the shipment obtain the
9 signature of any person twenty-one years of age or
10 older before delivering the shipment;
- 11 (3) Report no later than January 31 of each year to the
12 liquor commission in each county where a direct wine
13 or beer shipper permit is held, the total amount of
14 wine or beer shipped to persons in the county during
15 the preceding calendar year;
- 16 (4) Pay all applicable general excise and gallonage taxes.
17 For gallonage tax purposes, all wine or beer sold
18 under a direct wine or beer shipper permit shall be
19 deemed to be wine or beer sold in the State; and
- 20 (5) Be subject to audit by the liquor commission of each
21 county in which a permit is held.



1 (c) The holder of a license to manufacture wine or beer
2 issued by another state may annually renew a direct wine or beer
3 shipper permit by providing the liquor commission that issued
4 the permit with a copy of the license and paying all required
5 fees. The holder of a class 1, class 14, class 16, or class 18
6 license to manufacture wine or beer under section 281-31 may
7 renew a direct wine or beer shipper permit concurrently with the
8 [~~class 1~~] applicable license by complying with all applicable
9 laws and paying all required fees.

10 (d) The sale and shipment of wine or beer directly to a
11 person in this State by a person that does not possess a valid
12 direct wine or beer shipper permit is prohibited. Knowingly
13 violating this law is a misdemeanor.

14 (e) The liquor [+]commission[+] in each county may adopt
15 rules and regulations necessary to carry out the intent and
16 purpose of this section."

17 SECTION 4. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 5. This Act shall take effect on July 1, 2112.



Report Title:

Liquor Licenses; Brewpubs; Small Craft Producer Pubs

Description:

Permits a small craft producer pub licensee to manufacture not more than 125,000 barrels of malt beverages on the licensee's premises per year. Allows brewpub licensees and small craft producer pub licensees to conduct certain activities at satellite locations. Clarifies the definition of "growler". Allows brewpub licensees and small craft producer pub licensees to obtain a direct shipper permit. (HB546 HD2)

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

