

JAN 22 2021

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# 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 a number of outdoor  
2       festivals, parades, and races take place on the streets of  
3       neighborhoods each year. In some cases, event organizers are  
4       granted special permits by the counties' liquor commissions  
5       allowing them to serve alcohol. There is a range of sentiment  
6       coming from residents, property owners, business owners, and  
7       others regarding the possible impact of the sale of alcohol at  
8       some events on crowd behavior, noise, and other types of  
9       nuisance.

10       To deter continuous violations, the purpose of this Act is  
11       to require the liquor commission to record all complaints  
12       against any licensee, regardless of the timing of the complaint  
13       and require that the liquor commission review the history of  
14       complaints against any applicant at the time of application for  
15       a new license or renewal of an existing license.

16       SECTION 2. Section 281-17, Hawaii Revised Statutes, is  
17       amended to read as follows:



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1       "(a) The liquor commission, within its own county, shall  
2 have the jurisdiction, power, authority, and discretion, subject  
3 only to this chapter:

4       (1) To grant, refuse, suspend, and revoke any license for  
5 the manufacture, importation, and sale of liquors;

6       (2) To take appropriate action against a person who,  
7 directly or indirectly, manufactures, sells, or  
8 purchases any liquor without being authorized pursuant  
9 to this chapter; provided that in counties that have  
10 established by charter a liquor control adjudication  
11 board, the board shall have the jurisdiction, power,  
12 authority, and discretion to hear and determine  
13 administrative complaints of the director regarding  
14 violations of the liquor laws of the State or of the  
15 rules of the liquor commission, and impose penalties  
16 for violations thereof as may be provided by law;

17       (3) To control, supervise, and regulate the manufacture,  
18 importation, and sale of liquors by investigation,  
19 enforcement, and education; provided that any  
20 educational program shall be limited to the commission  
21 staff, commissioners, liquor control adjudication



1 board members, and licensees and their employees, and  
2 shall be financed through the money collected from the  
3 assessment of fines against licensees; provided that  
4 fine moneys, not to exceed ten per cent a year of  
5 fines accumulated, may be used to fund public liquor-  
6 related educational or enforcement programs;

7 (4) From time to time to make, amend, and repeal rules,  
8 not inconsistent with this chapter, as in the judgment  
9 of the commission are deemed appropriate for carrying  
10 out this chapter and for the efficient administration  
11 thereof, and the proper conduct of the business of all  
12 licensees, including every matter or thing required to  
13 be done or which may be done with the approval or  
14 consent, by order, under the direction or supervision  
15 of, or as prescribed by the commission; which rules,  
16 when adopted as provided in chapter 91 shall have the  
17 force and effect of law;

18 (5) Subject to chapter 76, to appoint and remove an  
19 administrator, who may also be appointed an  
20 investigator and who shall be responsible for the  
21 operations and activities of the staff. The



1 administrator may hire and remove hearing officers,  
2 investigators, and clerical or other assistants as its  
3 business may from time to time require, prescribe  
4 their duties and fix their compensation, and engage  
5 the services of experts and persons engaged in the  
6 practice of a profession, if deemed expedient. Every  
7 investigator, within the scope of the investigator's  
8 duties, shall have the powers of a police officer;

9 (6) To limit the number of licenses of any class or kind  
10 within the county, or the number of licenses of any  
11 class or kind to do business in any given locality,  
12 when in the judgment of the commission such  
13 limitations are in the public interest;

14 (7) To prescribe the nature of the proof to be furnished,  
15 the notices to be given, and the conditions to be met  
16 or observed in case of the issuance of a duplicate  
17 license in place of one alleged to have been lost or  
18 destroyed, including a requirement of any indemnity  
19 deemed appropriate to the case;

20 (8) To fix the hours between which licensed premises of  
21 any class or classes may regularly be open for the



1 transaction of business, which shall be uniform  
2 throughout the county as to each class respectively;

3 (9) To prescribe all forms to be used for the purposes of  
4 this chapter not otherwise provided for in this  
5 chapter, and the character and manner of keeping of  
6 books, records, and accounts to be kept by licensees  
7 in any matter pertaining to their business;

8 (10) To investigate violations of this chapter, chapter  
9 244D and, notwithstanding any law to the contrary,  
10 violations of the applicable department of health's  
11 allowable noise levels, through its investigators or  
12 otherwise, to include covert operations, and to report  
13 violations to the prosecuting officer for prosecution  
14 and, where appropriate, the director of taxation to  
15 hear and determine complaints against any licensee;  
16 provided that the liquor commission shall record all  
17 complaints against any licensee, regardless of whether  
18 the complaint is filed during or after the occurrence  
19 of the violation; provided further that the liquor  
20 commission shall review the history of complaints



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1           against any applicant at the time of application for a  
2           new license or renewal of an existing license;

3           (11) To prescribe, by rule, the terms, conditions, and  
4           circumstances under which persons or any class of  
5           persons may be employed by holders of licenses;

6           (12) To prescribe, by rule, the term of any license or  
7           solicitor's and representative's permit authorized by  
8           this chapter, the annual or prorated amount, the  
9           manner of payment of fees for the licenses and  
10          permits, and the amount of filing fees;

11          (13) To prescribe, by rule, regulations on dancing in  
12          licensed premises; and

13          (14) To prescribe, by rule, the circumstances and penalty  
14          for the unauthorized manufacturing or selling of any  
15          liquor."

16          SECTION 3. New statutory material is underscored.

17          SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY: \_\_\_\_\_

*Karl Rhoads*



# S.B. NO. 298

**Report Title:**

Liquor Commission; Liquor License; Complaints

**Description:**

Requires the liquor commission to record all complaints against any licensee, regardless of whether the complaint is filed during or after the occurrence of the violation. Requires the liquor commission to review the history of complaints against any applicant at the time of application for a new license or renewal of an existing license.

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