
A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

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

1 SECTION 1. Section 281-1, Hawaii Revised Statutes, is
2 amended by amending the definition of "standard bar" to read as
3 follows:

4 ""Standard bar" means any establishment licensed to sell
5 liquor for consumption on the premises, except:

- 6 (1) Premises in which a person performs or entertains
7 unclothed or in attire restricted to use by
8 entertainers pursuant to commission regulations; or
9 (2) Premises in which live entertainment or recorded music
10 is provided[~~Facilities for dancing by the patrons~~
11 ~~may be permitted as provided by commission rules~~]; or
12 (3) Premises in which employees or entertainers consume
13 nonalcoholic beverages while in the company of patrons
14 or sit with patrons pursuant to commission rules."

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



1 **"§281-17 Jurisdiction and powers.** (a) The liquor
2 commission, within its own county, shall have the jurisdiction,
3 power, authority, and discretion, subject 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 and,
9 notwithstanding any law to the contrary, violations of
10 the applicable department of health's allowable noise
11 levels, through its investigators or otherwise, to
12 include covert operations, and to report violations to
13 the prosecuting officer for prosecution where
14 appropriate. Investigations of violations of chapter
15 244D shall be referred to the director of taxation to
16 hear and determine complaints against any licensee;
- 17 (11) To prescribe, by rule, the terms, conditions, and
18 circumstances under which persons or any class of
19 persons may be employed by holders of licenses;
- 20 (12) To prescribe, by rule, the term of any license or
21 solicitor's and representative's permit authorized by



1 this chapter, the annual or prorated amount, the
2 manner of payment of fees for the licenses and
3 permits, and the amount of filing fees; and
4 ~~[(13) To prescribe, by rule, regulations on dancing in~~
5 ~~licensed premises; and~~
6 ~~(14)]~~ (13) To prescribe, by rule, the circumstances and
7 penalty for the unauthorized manufacturing or selling
8 of any liquor.

9 (b) Subject only to this chapter, the commission or board
10 and each member thereof shall have the same powers respecting
11 the administering of oaths, compelling the attendance of
12 witnesses and the production of documentary evidence, and
13 examining the witnesses as are possessed by a circuit court,
14 except that the commission or board and each member thereof
15 shall not be bound by the strict legal rules of evidence. In
16 addition, the commission or board shall have the power to
17 require the production of, and to examine any books, papers, and
18 records of any licensee which ~~may~~ pertain to the licensee's
19 business under the license or which ~~may~~ pertain to a matter at
20 a hearing before the commission or board or to an investigation
21 by the commission or board.



1 ~~[The exercise by the commission or board of the power,~~
2 ~~authority, and discretion vested in it pursuant to this chapter~~
3 ~~shall be final and shall not be reviewable by or appealable to~~
4 ~~any court or tribunal, except as otherwise provided in this~~
5 ~~chapter or chapter 91.]"~~

6 SECTION 3. Section 281-31, Hawaii Revised Statutes, is
7 amended as follows:

8 1. By amending subsection (c) to read:

9 "(c) Class 2. Restaurant license.

10 (1) A license under this class shall authorize the
11 licensee to sell liquor specified in this subsection
12 for consumption on the premises; provided that a
13 restaurant licensee, with commission approval, may
14 provide off-premises catering of food and liquor;
15 provided further that the catering activity shall be
16 directly related to the licensee's operation as a
17 restaurant. A license under this class shall also
18 authorize the licensee to sell beer, malt beverages,
19 or cider for off-premises consumption; provided that
20 the licensee has the appropriate kind of license
21 pursuant to paragraph (3); provided further that the



1 beer, malt beverage, or cider is sold in a securely
2 sealed or covered glass, ceramic, or metal container
3 that is sold to or provided by the patron, and each
4 sealed or covered glass, ceramic, or metal container
5 does not exceed a maximum capacity of one-half gallon.
6 A licensee under this class shall be issued a license
7 according to the category of establishment the
8 licensee owns or operates. The categories of
9 establishment shall be as follows:

- 10 (A) A standard bar; or
- 11 (B) Premises in which live entertainment or recorded
12 music is provided. [~~Facilities for dancing by~~
13 ~~the patrons may be permitted as provided by~~
14 ~~commission rules.~~]

15 (2) If a licensee under class 2 desires to change the
16 category of establishment the licensee owns or
17 operates, the licensee shall apply for a new license
18 applicable to the category of the licensee's
19 establishment.

20 (3) Of this class, there shall be the following kinds:

- 21 (A) General (includes all liquor except alcohol);



1 (B) Beer and wine; and

2 (C) Beer.

3 (4) A new class 2 license may be issued prior to an
4 establishment commencing operation. An application
5 for a new class 2 license shall include a
6 certification by the applicant that the applicant
7 intends to and shall derive no less than thirty per
8 cent of the establishment's gross revenue from the
9 sale of foods.

10 Notwithstanding section 281-57, the commission may approve at
11 one public hearing and without notice the change to a class 2
12 restaurant license of a licensee holding a class 5 dispenser
13 license who meets the requirements of a class 2 license."

14 2. By amending subsections (f) and (g) to read:

15 "(f) Class 5. Dispenser license.

16 (1) A license under this class shall authorize the
17 licensee to sell liquor specified in this subsection
18 for consumption on the premises. A licensee under
19 this class shall be issued a license according to the
20 category of establishment the licensee owns or



1 operates. The categories of establishments shall be
2 as follows:

3 (A) A standard bar;

4 (B) Premises in which a person performs or entertains
5 unclothed or in attire restricted to use by
6 entertainers pursuant to commission rules; or

7 (C) Premises in which live entertainment or recorded
8 music is provided[; ~~provided that facilities for~~
9 ~~dancing by the patrons may be permitted as~~
10 ~~provided by commission rules; or~~

11 ~~(D) Premises in which employees or entertainers are~~
12 ~~compensated to sit with patrons, regardless of~~
13 ~~whether the employees or entertainers are~~
14 ~~consuming nonalcoholic beverages while in the~~
15 ~~company of the patrons pursuant to commission~~
16 ~~rules].~~

17 (2) If a licensee under class 5 desires to change the
18 category of establishment the licensee owns or
19 operates, the licensee shall apply for a new license
20 applicable to the category of the licensee's
21 establishment.



1 (3) Of this class, there shall be the following kinds:

2 (A) General (includes all liquor except alcohol);

3 (B) Beer and wine; and

4 (C) Beer.

5 (g) Class 6. Club license. A club license shall be
6 general only but shall exclude alcohol and shall authorize the
7 licensee to sell liquor to members of the club and to guests of
8 the club enjoying the privileges of membership for consumption
9 only on the premises kept and operated by the club; provided
10 that the license shall also authorize any club member to keep in
11 the member's private locker on the premises a reasonable
12 quantity of liquor owned by the member for the member's own
13 personal use and not to be sold that may be consumed only on the
14 premises. A club licensee shall be authorized to host
15 charitable functions that are open to the general public only
16 pursuant to commission rules.

17 The categories of establishment shall be as follows:

18 (1) A standard bar; or

19 (2) Premises in which live entertainment or recorded music
20 is provided. [~~Facilities for dancing by the patrons~~
21 ~~may be permitted as provided by commission rules.~~]"



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

2 "(i) Class 9. Tour or cruise vessel license. A general
3 license may be granted to the owner of any tour or cruise vessel
4 for the sale of liquor other than alcohol on board the vessel
5 while in the waters of the State; provided that sales be made
6 only for consumption by passengers on board while the vessel is
7 in operation outside the port or dock of any island of the
8 State, unless otherwise approved by the county where the license
9 has been issued. The license shall be issuable in the county
10 where the home port of the vessel is situated. If, on any
11 vessel for which no license has been obtained under this
12 chapter, any liquor is sold or served within three miles of the
13 shore of any island of the State, it shall constitute a
14 violation of this chapter.

15 The categories of establishment shall be as follows:

- 16 (1) A standard bar; or
17 (2) Premises in which live entertainment or recorded music
18 is provided. [~~Facilities for dancing by the patrons~~
19 ~~may be permitted as provided by commission rules.~~]"

20 4. By amending subsections (k) and (l) to read:



1 "(k) Class 11. Cabaret license. A cabaret license shall
2 be general only but shall exclude alcohol and shall authorize
3 the sale of liquor for consumption on the premises. A cabaret
4 license shall be issued only for premises where [~~food is~~
5 ~~served,~~] facilities for dancing by the patrons including a dance
6 floor are provided[~~,~~] and live or amplified recorded music or
7 professional entertainment, except professional entertainment by
8 a person who performs or entertains unclothed, is provided for
9 the patrons; provided that professional entertainment by persons
10 who perform or entertain unclothed shall be authorized by:

11 (1) A cabaret license for premises where professional
12 entertainment by persons who perform or entertain
13 unclothed was presented on a regular and consistent
14 basis immediately prior to June 15, 1990; or

15 (2) A cabaret license that, pursuant to rules adopted by
16 the liquor commission, permits professional
17 entertainment by persons who perform or entertain
18 unclothed.

19 A cabaret license under paragraph (1) or (2) authorizing
20 professional entertainment by persons who perform or entertain
21 unclothed shall be transferable through June 30, 2000. A



1 cabaret license under paragraph (1) or (2) authorizing
2 professional entertainment by persons who perform or entertain
3 unclothed shall not be transferable after June 30, 2000, except
4 upon approval by the liquor commission and pursuant to rules
5 adopted by the commission. Notwithstanding any rule of the
6 liquor commission to the contrary, cabarets in resort areas may
7 be opened for the transaction of business until 4 a.m.
8 throughout the entire week. [~~A cabaret license shall not be~~
9 ~~issued for any premises located within an apartment mixed use~~
10 ~~subprecinct within a special improvement or special district in~~
11 ~~which the economy is primarily based on tourism.~~]

12 (1) Class 12. Hotel license. A license to sell liquor in
13 a hotel shall authorize the licensee to provide entertainment
14 [~~and dancing~~] on the hotel premises and to sell all liquor
15 except alcohol for consumption on the premises; provided that a
16 hotel licensee, with commission approval, may provide off-
17 premises catering of food and liquor if the catering activity is
18 directly related to the licensee's food service.

19 Procedures such as room service, self-service no-host
20 minibars or similar service in guest rooms, and service at



1 parties in areas that are the property of and contiguous to the
2 hotel are permitted with commission approval.

3 Any licensee who would otherwise fall within the hotel
4 license class but holds a different class of license may be
5 required to apply for a hotel license.

6 If the licensee applies for a change of classification
7 prior to July 30, 1992, the licensee shall not be subject to the
8 requirements of sections 281-52, 281-54, and 281-57 through
9 281-59.

10 Any licensee holding a class 12 license on May 1, 2007 who
11 would otherwise qualify for a class 15 license may apply to the
12 liquor commission of the county in which the licensee is seeking
13 a change in liquor license for a change to a class 15 license;
14 provided that the licensee shall not be subject to the
15 requirements of section 281-54 and sections 281-57 to 281-60.

16 If a licensee holding a class 12 license on May 1, 2007
17 applies for a change to a class 15 license, the respective
18 liquor commission shall hold a public hearing upon notice. On
19 the day of hearing or any adjournment thereof, the liquor
20 commission shall consider the application, accept all written or
21 oral testimony for or against the application, and render its



1 decision granting or refusing the application. If the
2 application is denied, the class 12 license shall continue in
3 effect in accordance with law."

4 5. By amending subsections (n) and (o) to read:

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

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

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

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

16 (A) A standard bar; or

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



- 1 (4) May, subject to federal labeling and bottling
2 requirements, sell malt beverages manufactured on the
3 licensee's premises to consumers in brewery-sealed
4 kegs and recyclable or reusable containers and sell
5 malt beverages manufactured on the licensee's premises
6 or purchased from a class 1 manufacturer licensee, a
7 class 3 wholesale dealer licensee, a class 14 brewpub
8 licensee, or a class 18 small craft producer pub
9 licensee to consumers in growlers for off-premises
10 consumption; provided that for purposes of this
11 paragraph, "growler" means a recyclable or reusable
12 container that does not exceed one gallon and is
13 securely sealed on the licensee's premises;
- 14 (5) Shall comply with all requirements pertaining to class
15 4 retail dealer licensees when engaging in the retail
16 sale of malt beverages;
- 17 (6) May, subject to federal labeling and bottling
18 requirements, sell malt beverages manufactured on the
19 licensee's premises in brewery-sealed containers
20 directly to class 2 restaurant licensees, class 3
21 wholesale dealer licensees, class 4 retail dealer



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

12 (7) May conduct the activities under paragraphs (1) to (6)
13 at locations other than the licensee's primary
14 manufacturing premises; provided that:

15 (A) The manufacturing takes place in Hawaii;

16 (B) Each of the other locations:

17 (i) Operates within the State under the same
18 trade name for the premises; and

19 (ii) Is properly licensed within the county of
20 its operation as a class 1 manufacturer

21 licensee, class 2 restaurant licensee, class



1 4 retail dealer licensee, class 5 dispenser
2 licensee, class 12 hotel licensee, class 14
3 brewpub licensee, or class 18 small craft
4 producer pub licensee;

5 (C) The county liquor commission of the county in
6 which the licensee satellite is located shall
7 have jurisdiction of the satellite; and

8 (D) All requirements of the license class of the
9 location shall be in effect as required by the
10 county liquor commission for the satellite
11 licensed premises; and

12 (8) May allow minors, who are accompanied by a parent or
13 legal guardian of legal drinking age, on the
14 licensee's premises.

15 (o) Class 15. Condominium hotel license. A license to
16 sell liquor in a condominium hotel shall authorize the licensee
17 to provide entertainment [~~and dancing~~] on the condominium hotel
18 premises and to sell all liquor except alcohol for consumption
19 on the premises; provided that a condominium hotel licensee,
20 with commission approval, may provide off-premises catering;



1 provided further that the catering activity is directly related
2 to the licensee's operation as a condominium hotel.

3 Procedures such as room service, self-service no-host
4 minibars or similar service in apartments, and service at
5 private parties in areas that are the property of and contiguous
6 to the condominium hotel are permitted with commission approval.

7 A condominium hotel licensee shall not sell liquor in the
8 manner authorized by a class 4 retail dealer license.

9 Any licensee who would otherwise meet the criteria for the
10 condominium hotel license class but holds a different class of
11 license may be required to apply for a condominium hotel
12 license."

13 6. By amending subsection (r) to read:

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

16 (1) Shall manufacture not more than:

17 (A) Seventy thousand barrels of malt beverages;

18 (B) Twenty thousand barrels of wine; or

19 (C) Seven thousand five hundred barrels of alcohol on
20 the licensee's premises during the license year;



1 provided that for purposes of this paragraph, "barrel"
2 means a container not exceeding thirty-one gallons or
3 wine gallons of liquor;

4 (2) May sell malt beverages, wine, or alcohol manufactured
5 on the licensee's premises for consumption on the
6 premises;

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

11 (4) 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~~
18 ~~the patrons may be permitted as provided by~~
19 ~~commission rules];~~

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



1 licensee's premises to consumers in producer-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 recyclable or reusable
10 container that does not exceed one gallon, which shall
11 be securely sealed;

12 (6) May, subject to federal labeling and bottling
13 requirements, sell wine or alcohol manufactured on the
14 licensee's premises in recyclable containers provided
15 by the licensee or by the consumer which do not
16 exceed:

17 (A) One gallon per container for wine; and

18 (B) One liter for alcohol; and

19 are securely sealed on the licensee's premises to
20 consumers for off-premises consumption;



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



- 1 (9) May conduct the activities under paragraphs (1) to (8)
- 2 at locations other than the licensee's premises;
- 3 provided that:
- 4 (A) The manufacturing takes place in Hawaii;
- 5 (B) Each of the other locations:
 - 6 (i) Operates within the State under the same
 - 7 trade name for the premises; and
 - 8 (ii) Is properly licensed within the county of
 - 9 its 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 commission 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 (10) May allow minors, who are accompanied by a parent or
2 legal guardian of legal drinking age, on the
3 licensee's premises."

4 SECTION 4. Section 281-45, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§281-45 No license issued, when.** No license shall be
7 issued under this chapter:

8 (1) To any minor or to any person who has been convicted
9 of a felony within the preceding ten years and not
10 pardoned; provided that the commission may grant a
11 license under this chapter to a corporation or limited
12 liability company that has been convicted of a felony
13 where the commission finds that the corporation's
14 officers, directors, and shareholders of twenty-five
15 per cent or more of outstanding stock meet the
16 statutory requirements to hold a license;

17 (2) To a corporation the officers and directors of which,
18 or any of them, would be disqualified under paragraph
19 (1) from obtaining the license individually, or a
20 stockholder of which, owning or controlling twenty-
21 five per cent or more of the outstanding capital



1 stock, or to a general partnership, limited
2 partnership, limited liability partnership, or limited
3 liability company whose partner or member holding
4 twenty-five per cent or more interest of which, or any
5 of them would be disqualified under paragraph (1) from
6 obtaining the license individually; provided that for
7 publicly-traded corporations and limited liability
8 companies or corporations or limited liability
9 companies ultimately solely owned by a publicly-traded
10 company, only the officers, directors, managers, or
11 members designated as primary decision-makers shall be
12 considered to determine disqualification under
13 paragraph (1);

14 (3) Unless the applicant for a license or a renewal of a
15 license, or in the case of a transfer of a license,
16 both the transferor and the transferee, present to the
17 issuing agency a tax clearance certificate from the
18 department of taxation showing that the applicant or
19 the transferor and transferee do not owe the state
20 government any delinquent taxes, penalties, or
21 interest; or that the applicant, or in the case of a



1 transfer of a license, the transferor or transferee,
2 has entered into an installment plan agreement with
3 the department of taxation for the payment of
4 delinquent taxes in installments and that the
5 applicant is or the transferor or transferee is, in
6 the case of a transfer of a license, complying with
7 the installment plan agreement; provided that when the
8 applicant or the transferor or transferee, in the case
9 of a transfer of a license, is validly challenging a
10 tax assessment, penalty, or other proceeding that
11 prevents the issuance of a signed certificate from the
12 appropriate federal or state tax agency, the
13 commission shall issue a license that is valid for the
14 period of time necessary to resolve the challenge;

15 (4) To an applicant for a class 2, class 4 except for
16 convenience minimarts, class 5, class 6, class 11,
17 class 12, class 13, class 14, class 15, class 17, or
18 class 18 license unless the applicant for issuance of
19 a license or renewal of a license, or in the case of a
20 transfer of a license, both the transferor and the
21 transferee, present to the issuing agency proof of



1 liquor liability insurance coverage in an amount of
2 \$1,000,000; or

3 (5) To any applicant who has had any liquor license
4 revoked less than two years previous to the date of the
5 application for any like or other license under this chapter."

6 SECTION 5. Section 281-47, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§281-47 Standard bar; music and dancing available.** Any
9 standard bar establishment may provide facilities for dancing by
10 patrons, including a dance floor and live or recorded music[, if
11 ~~the establishment is located in a commercial district and~~
12 ~~obtains the approval of the commission to provide such services~~
13 ~~on a one time trial basis not to exceed ninety days; provided~~
14 ~~that the music and dancing shall be allowed only during the~~
15 ~~trial period]."~~

16 SECTION 6. Section 281-79, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§281-79 Entry for examination**[; ~~obstructing liquor~~
19 ~~commission operations; penalty~~]. Every investigator shall, and
20 any officer having police power may, at all reasonable times,
21 and at any time whatsoever if there is any reasonable ground for



1 suspicion that the conditions of any license are being violated,
2 without warrant enter into and upon any licensed premises and
3 inspect the same and every part thereof, and any books or
4 records therein, to ascertain whether or not all conditions of
5 the license and all provisions of this chapter are being
6 complied with by the licensee.

7 ~~[If any investigator or officer, or any person called by~~
8 ~~the investigator or officer to the investigator's or officer's~~
9 ~~aid, is threatened with the use of violence, force, or physical~~
10 ~~interference or obstacle, or is hindered, obstructed, or~~
11 ~~prevented by any licensee, the licensee's employees, or any~~
12 ~~other person from entering into the premises, or whenever any~~
13 ~~investigator or officer is by any licensee, the licensee's~~
14 ~~employees, or any other person opposed, obstructed, or molested~~
15 ~~in the performance of the officer's duty in any respect, the~~
16 ~~licensee, the licensee's employee, or any other person shall be~~
17 ~~finned not more than \$2,000 or imprisoned not more than one year,~~
18 ~~or both.~~

19 ~~Whenever any investigator or officer, having demanded~~
20 ~~admittance into any licensed premises and declared the~~
21 ~~investigator's or officer's name and office, is not admitted by~~



1 ~~the licensee or the person in charge of the premises, it shall~~
2 ~~be lawful for the investigator or officer to forcibly and in any~~
3 ~~manner to break into and enter the premises.]"~~

4 SECTION 7. Section 281-80, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§281-80 Arrest.** Any [~~investigator or~~] police officer who
7 observes any violation by any person of this chapter or of any
8 rule or regulation of the liquor commission, may forthwith
9 arrest the person without a warrant. Whenever any violation of
10 this chapter or of the regulations of the commission occurs in
11 the presence of any licensee, or any [~~investigator or~~] police
12 officer, upon request of the licensee the police officer [~~or~~
13 ~~investigator~~] may assist the licensee in arresting any patron
14 for violation thereof."

15 SECTION 8. Section 281-20, Hawaii Revised Statutes, is
16 repealed.

17 [~~§281-20 General right of inspection.~~ Any investigator
18 ~~may, at all times, without notice and without any search warrant~~
19 ~~or other legal process, visit and have immediate access to every~~
20 ~~part of the premises of every licensee for the purpose of making~~
21 ~~any examination or inspection thereof or inquiry into the books~~



1 ~~and records therein, to ascertain whether all of the conditions~~
2 ~~of the license and all provisions of this chapter are being~~
3 ~~complied with by the licensee."]~~

4 SECTION 9. Statutory material to be repealed is bracketed
5 and stricken. New statutory material is underscored.

6 SECTION 10. This Act shall take effect on July 1, 2024.

7

INTRODUCED BY:

 (BIR)

JAN 17 2024



H.B. NO. 1672

Report Title:

Intoxicating Liquor; Dancing; Police Powers; Dispenser Licenses; Licensees; Felonies; Standard Bar; Obstruction; Inspection

Description:

Removes the regulation of dancing on licensee premises from the jurisdiction of liquor commissions. Repeals the grant of police powers upon liquor commission investigators. Repeals a category for dispenser licenses in which employees sit with patrons. Repeals the prohibition on the issuance of cabaret licenses in certain areas. Limits the prohibition on the issuance of licenses to persons convicted of a felony to when the felony was committed within the preceding ten years. Repeals the condition for standard bars to provide music and dancing only if the business is located in a commercial district and obtains a temporary approval. Repeals language punishing obstruction of liquor investigators and authorizing investigators to forcibly enter licensee premises. Repeals the general right to inspection by liquor investigators.

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

