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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 the COVID-19  
2 pandemic and the governmental responses to contain the spread of  
3 COVID-19 have disproportionately affected certain manufacturers  
4 of alcoholic beverages in the State. The frequent closure of  
5 bars and clubs and prohibition of in-person dining has caused  
6 these manufacturers to struggle to find alternative methods of  
7 serving their customers, resulting in drastic revenue losses.

8           The legislature further finds that under state law, direct  
9 business-to-consumer shipping of alcoholic beverages is limited  
10 to wineries shipping wine. Thus, non-winery manufacturers are  
11 prohibited from directly shipping alcoholic beverages, including  
12 beer and distilled spirits, to consumers. Direct business-to-  
13 consumer shipping will allow these manufacturers to serve  
14 existing customers while also pursuing additional markets and  
15 new customer bases. Direct business-to-consumer shipping will  
16 also assist smaller manufacturers that are struggling to find  
17 wholesalers willing to sell and represent the manufacturer's



1 small brands by giving those manufacturers direct access to  
2 customers. In an effort to encourage commerce, the legislature  
3 has determined that the State must allow manufacturers to ship  
4 their goods to, from, and within the State.

5 Accordingly, the purpose of this Act is to allow the direct  
6 shipment of beer and distilled spirits by certain licensees.

7 SECTION 2. Chapter 281, Hawaii Revised Statutes, is  
8 amended by adding a new section to part III to be appropriately  
9 designated and to read as follows:

10 "§281- Direct shipment of beer and distilled spirits by  
11 manufacturers. (a) Any person holding:

12 (1) A general excise tax license from the department of  
13 taxation; and

14 (2) Either:

15 (A) A class 1, class 14, or class 18 license to  
16 manufacture beer or distilled spirits under  
17 section 281-31; or

18 (B) A license to manufacture beer or distilled  
19 spirits issued by another state,

20 may pay any applicable fees and obtain a direct beer and  
21 distilled spirits shipper permit from the liquor commission of



1 the county in which the beer or distilled spirits is  
2 manufactured that authorizes the holder to directly ship beer  
3 and distilled spirits to persons in any county of this State;  
4 provided that any person who holds a license to manufacture beer  
5 or distilled spirits pursuant to paragraph 2(B) may obtain a  
6 direct beer and distilled spirits shipper permit from the liquor  
7 commission of the county in this State to which the person will  
8 be shipping beer or distilled spirits.

9 (b) Beginning July 1, 2025, the holder of the direct beer  
10 and distilled spirits shipper permit may sell and ship beer and  
11 distilled spirits to any person twenty-one years of age or older  
12 in any county of the State for personal use only and not for  
13 resale, and shall:

14 (1) Ship beer and distilled spirits directly to the person  
15 only in containers that are conspicuously labeled with  
16 the words:

17 "CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 YEARS  
18 OR OLDER REQUIRED FOR DELIVERY.";

19 (2) Require that the carrier of the shipment obtain the  
20 signature of any person twenty-one years of age or  
21 older before delivering the shipment;





- 1       (3) Report no later than January 31 of each year, to the  
2       liquor commission in each county in which a direct  
3       beer and distilled spirits shipment was made, the  
4       total amount of beer and distilled spirits shipped to  
5       persons in that county during the preceding calendar  
6       year;
- 7       (4) Pay all applicable general excise and gallonage taxes.  
8       For gallonage tax purposes, all beer and distilled  
9       spirits sold under a direct beer and distilled spirits  
10       shipper permit shall be deemed to be beer and  
11       distilled spirits sold in the State; and
- 12       (5) Be subject to audit by the liquor commission of each  
13       county in which a direct beer and distilled spirits  
14       shipment has been made.
- 15       (c) The holder of a license to manufacture beer or  
16       distilled spirits issued by another state may annually renew a  
17       direct beer and distilled spirits shipper permit by providing to  
18       the liquor commission that issued the permit a copy of the  
19       license and paying all required fees. The holder of a class 1,  
20       class 14, or class 18 license to manufacture beer or distilled  
21       spirits under section 281-31 may renew a direct beer and



1 distilled spirits shipper permit concurrently with the  
2 applicable license by complying with all applicable laws and  
3 paying all required fees.

4 (d) The sale and shipment of beer and distilled spirits  
5 directly to a person in the State by a person that does not  
6 possess a valid direct beer and distilled spirits shipper permit  
7 is prohibited. Knowingly violating this section is a  
8 misdemeanor.

9 (e) The liquor commission in each county shall adopt rules  
10 necessary to carry out the intent and purpose of this section;  
11 provided that the liquor commission in each county shall ensure  
12 that that liquor commission's respective rulemaking actions do  
13 not interfere with, or unduly delay, the date prescribed in  
14 subsection (b).

15 (f) For the purposes of this section, "distilled spirits"  
16 shall have the same meaning as in section 244D-1."

17 SECTION 3. New statutory material is underscored.

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

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INTRODUCED BY:

  
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(BR)

JAN 13 2025



# H.B. NO. 108

**Report Title:**

Beer; Distilled Spirits; Direct Shipping; Manufacturers

**Description:**

Allows direct shipment of beer and distilled spirits by certain licensees. Requires the liquor commission of each county to adopt rules and regulations.

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

