## **ACT 227**

A Bill for an Act Relating to Intoxicating Liquor.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 281, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§281- Direct shipment of wine by wineries. (a) Any person holding:

- (1) A general excise tax license from the department of taxation; and (2) Fither
- (2) Either:
  - (A) A class 1 license to manufacture wine under section 281-31; or

(B) A license to manufacture wine issued by another state,

may pay any applicable fees and obtain a direct wine shipper permit from the liquor commission of the county to which the wine will be shipped authorizing the holder to directly ship wine to persons in the county pursuant to this section.

(b) The holder of a direct wine shipper permit may sell and annually ship to any person twenty-one years of age or older in the county that issued the permit, no more than six nine-liter cases of wine per household for personal use only and not for resale, and shall:

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

(c) The holder of a license to manufacture wine issued by another state may annually renew a direct wine shipper permit by providing the liquor commission that issued the permit with a copy of the license and paying all required fees. The holder of a class 1 license to manufacture wine under section 281-31 may renew a direct wine shipper permit concurrently with the class 1 license by complying with all applicable laws and paying all required fees.

(d) The sale and shipment of wine directly to a person in this state by a person that does not possess a valid direct wine shipper permit is prohibited. Knowingly violating this law is a misdemeanor.

(e) The liquor commissions in each county may adopt rules and regulations necessary to carry out the intent and purpose of this section."

SECTION 2. Section 281-33.1, Hawaii Revised Statutes, is amended by amending subsection (i) to read as follows:

"(i) An unlicensed adult<sup>1</sup> shall not be required to obtain a permit under this section to receive shipments of liquor pursuant to section [281-33.5.] 281-..."

SECTION 3. Section 281-33.5, Hawaii Revised Statutes, is repealed.

SECTION 4. The liquor commissions in each county shall begin issuing direct wine shipper permits no later than January 1, 2007.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.<sup>2</sup>

SECTION 6. This Act shall take effect on July 1, 2006.

(Approved June 22, 2006.)

## Notes

Prior to amendment "person" appeared here.
Edited pursuant to HRS §23G-16.5.