ACT 9

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S.B. NO. 2354

A Bill for an Act Relating to Alcohol.

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

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

""Beer" means any <u>alcoholic</u> beverage <u>containing not less than 0.5 per</u> <u>cent alcohol by volume</u> obtained by the [alcoholic] fermentation of any infusion or decoction of [barley or other grain,] malt, [and hops in water .] wholly or in part, or any substitute, including grain of any kind, bran, glucose, sugar, or molasses. "Beer" includes ale, porter, brown, stout, lager beer, small beer, strong beer, and alcoholic seltzer beverages. "Beer" does not include sake, also known as Japanese rice wine; cooler beverage; or any products of distillation, by whatever name known, that contain distilled spirits, alcoholic spirits, or spirits."

SECTION 2. Section 281-31, Hawaii Revised Statutes, is amended by amending subsection (n) to read as follows:

- "(n) Class 14. Brewpub license. A brewpub licensee:
- (1) May sell malt beverages <u>and beer</u> manufactured on the licensee's premises for consumption on the premises;
- (2) May sell malt beverages <u>and beer</u> manufactured by the licensee in brewery-sealed packages to class 3 wholesale dealer licensees pursuant to conditions imposed by the county by ordinance or rule;
- (3) May sell intoxicating liquor purchased from a class 3 wholesale dealer licensee to consumers for consumption on the licensee's premises. The categories of establishments shall be as follows:
 - (A) A standard bar; or
 - (B) Premises in which live entertainment or recorded music is provided. Facilities for dancing by the patrons may be permitted as provided by commission rules;
- (4) May, subject to federal labeling and bottling requirements, sell malt beverages <u>and beer</u> manufactured on the licensee's premises to consumers in brewery-sealed kegs and recyclable or reusable containers and sell malt beverages <u>and beer</u> manufactured on the licensee's premises or purchased from a class 1 manufacturer licensee, a class 3 wholesale dealer licensee, a class 14 brewpub licensee, or a class 18 small craft producer pub licensee to consumers in growlers for off-premises consumption; provided that for purposes of this paragraph, "growler" means a recyclable or reusable container that does not exceed one gallon and is securely sealed on the licensee's premises;
- (5) Shall comply with all requirements pertaining to class 4 retail dealer licensees when engaging in the retail sale of malt beverages[;] and beer;
- (6) May, subject to federal labeling and bottling requirements, sell malt beverages and beer manufactured on the licensee's premises in brewery-sealed containers directly to class 2 restaurant licensees, class 3 wholesale dealer licensees, class 4 retail dealer licensees, class 5 dispenser licensees, class 6 club licensees, class 8 transient vessel licensees, class 9 tour or cruise vessel licensees, class 10 special licensees, class 11 cabaret licensees, class 12 hotel licensees, class 13 caterer licensees, class 14 brewpub licensees, class 15 condominium hotel licensees, class 18 small craft producer pub licensees, and consumers pursuant to conditions imposed by county ordinances or rules governing class 1 manufacturer licensees and class 3 wholesale dealer licensees;
- (7) May conduct the activities under paragraphs (1) to (6) at locations other than the licensee's primary manufacturing premises; provided that:
 - (A) The manufacturing takes place in Hawaii;

- (B) Each of the other locations:
 - (i) Operates within the State under the same trade name for the premises; and
 - (ii) Is properly licensed within the county of its operation as a class 1 manufacturer licensee, class 2 restaurant licensee, class 4 retail dealer licensee, class 5 dispenser licensee, class 12 hotel licensee, class 14 brewpub licensee, or class 18 small craft producer pub licensee;
- (C) The county liquor commission of the county in which the licensee satellite is located shall have jurisdiction of the satellite; and
- (D) All requirements of the license class of the location shall be in effect as required by the county liquor commission for the satellite licensed premises; and
- (8) May allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises."

SECTION 3. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on January 1, 2025. (Approved April 19, 2024.)