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***September 1, 2014 Supplement to
Liquor Laws of Hawaii & Rules of the Liquor Commission
(Yellow Book – November 2012 Reprint)***

**CHAPTER 281, HAWAII REVISED STATUTES
(27th Legislature, 2014)**

Reprinted from the Hawaii State Legislature Website:

Act 031, effective April 23, 2014, Relating to Hotel Class Liquor Licenses (1 page)

Act 057, effective April 30, 2014, Relating to Tourism (3 pages)

Act 211, effective July 5, 2014, Relating to Liquor License Classes (18 of 30 pages)

Approved by the Governor

on APR 23 2014

THE SENATE
TWENTY-SEVENTH LEGISLATURE, 2014
STATE OF HAWAII

ACT 031
S.B. NO. 3074

JAN 23 2014

A BILL FOR AN ACT

RELATING TO HOTEL CLASS LIQUOR LICENSES.

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 "hotel" to read as
3 follows:

4 "Hotel" means an establishment consisting of one or more
5 buildings which contain [~~(1)~~] such total number of rooms as may
6 be prescribed by the commission and in which rooms sleeping
7 accommodations are provided and offered for adequate pay to
8 transient or permanent guests [~~and (2) a suitable and adequate~~
9 ~~kitchen and dining room, where meals are regularly prepared and~~
10 ~~served to hotel guests and other customers]~~."

11 SECTION 2. Statutory material to be repealed is bracketed
12 and stricken.

13 SECTION 3. This Act shall take effect upon its approval.

14

APPROVED this 23 day of APR, 2014



GOVERNOR OF THE STATE OF HAWAII

A BILL FOR AN ACT

RELATING TO TOURISM.

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

1 SECTION 1. The legislature finds that tourism is the
2 mainstay of the State's economy, with approximately one out of
3 every three jobs in the State linked directly or indirectly to
4 the tourism industry. A deep inventory of hotels and
5 condominium hotels of sufficient quality and accommodation is
6 important to the maintenance and development of this crucial
7 industry. Recent Hawaii tourism trends reveal an increasing
8 number of families vacationing in condominium hotels, with an
9 increased demand for units within hotels and condominium hotels
10 that allow room service, mini-bar access, and other amenities
11 tied to liquor licensing requirements.

12 The purpose of this Act is to support the State's tourism
13 industry by increasing the inventory of condominium hotel and
14 hotel rooms in which liquor is available by eliminating the
15 requirement that a condominium hotel or hotel have a kitchen and
16 dining room to qualify for a hotel class liquor license.



1 SECTION 2. Section 281-1, Hawaii Revised Statutes, is
2 amended by amending the definitions of "condominium hotel" and
3 "hotel" to read as follows:

4 "Condominium hotel" means an establishment consisting of
5 one or more buildings that includes:

- 6 (1) Guest rooms that are apartments, as defined in section
7 514A-3, or units, as defined in section 514B-3, which
8 are used to provide transient lodging for periods of
9 less than thirty days under a written contract with
10 the owner of the apartment or unit in the condominium
11 hotel operation; and
- 12 (2) Guest rooms that are units, owned or managed by the
13 condominium hotel operator providing transient lodging
14 for periods of less than thirty days, which are
15 offered for adequate pay to transient guests [~~and~~
- 16 ~~(3) A suitable and adequate kitchen and dining room, where~~
17 ~~meals are regularly prepared and served to guests and~~
18 ~~other customers].~~

19 A "condominium hotel" does not include a hotel that may be part
20 of a condominium property regime established under chapter 514A
21 or 514B, that does not have guest rooms that are separate



1 apartments, as defined in section 514A-3, or units, as defined
2 in section 514B-3.

3 "Hotel" means an establishment consisting of one or more
4 buildings which contain [~~1~~] such total number of rooms as may
5 be prescribed by the commission and in which rooms sleeping
6 accommodations are provided and offered for adequate pay to
7 transient or permanent guests[, and ~~(2) a suitable and adequate~~
8 ~~kitchen and dining room, where meals are regularly prepared and~~
9 ~~served to hotel guests and other customers]."~~

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

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

APPROVED this 30 day of APR, 2014



GOVERNOR OF THE STATE OF HAWAII



A BILL FOR AN ACT

RELATING TO LIQUOR LICENSE CLASSES.

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

- 1 SECTION 1. The purpose of this Act is to:
- 2 (1) Remove the requirement that a class 14 brewpub
- 3 licensee manufacture not more than thirty thousand
- 4 barrels of malt beverages on the licensee's premises
- 5 during the license year;
- 6 (2) Prohibit brewpub and small craft producer pub
- 7 licensees from selling intoxicating liquor purchased
- 8 from a class 1 manufacturer licensee for consumption
- 9 on the premises;
- 10 (3) Amend the requirement that a class 16 winery licensee
- 11 manufacture not more than twenty thousand, instead of
- 12 ten thousand, barrels of wine on the licensee's
- 13 premises during the license year;
- 14 (4) Establish a new class 18 liquor license class for
- 15 small craft producer pubs; and
- 16 (5) Make conforming amendments relating to liquor license
- 17 classes.



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

4 "Retail licensee" means any licensee holding a class 2,
5 [~~e~~] class 4 through class 16, or class 18 license."

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

8 ***§281-31 Licenses, classes.** (a) Licenses may be granted
9 by the liquor commission as provided in this section.

10 (b) Class 1. Manufacturer license. A license for the
11 manufacture of liquor shall authorize the licensee to:

- 12 (1) Manufacture the liquor therein specified;
- 13 (2) Sell it in original packages to any wholesaler who
14 holds a license to resell it; and
- 15 (3) Sell beer, wine, or other specified liquor
16 manufactured or distilled on the licensee's premises
17 from fruits or other products grown in the State, in
18 any quantity:
 - 19 (A) At wholesale in original packages to any person
20 who holds a license to resell it; and
 - 21 (B) To any person for private use and consumption.



1 shall include a written statement signed by the owner or
2 representative of the property that the function will be subject
3 to the liquor laws and to inspection by investigators.

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

5 ~~[(1) Shall manufacture not more than thirty thousand~~
6 ~~barrels of malt beverages on the licensee's premises~~
7 ~~during the license year,~~

8 ~~-(2)]~~ (1) May sell malt beverages manufactured on the
9 licensee's premises for consumption on the premises;

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

14 ~~[-(4)]~~ (3) May sell intoxicating liquor purchased from a
15 ~~[class 1 manufacturer licensee or a]~~ class 3 wholesale
16 dealer licensee to consumers for consumption on the
17 licensee's premises. The categories of establishments
18 shall be as follows:

19 (A) A standard bar; or

20 (B) Premises in which live entertainment or recorded
21 music is provided. Facilities for dancing by the



1 patrons may be permitted as provided by
2 commission rules;

3 ~~(4)~~ (4) May, subject to federal labeling and bottling
4 requirements, sell malt beverages manufactured on the
5 licensee's premises to consumers in brewery-sealed
6 kegs and growlers for off-premises consumption;
7 provided that for purposes of this paragraph,
8 "growler" means a glass or metal container, not to
9 exceed one half-gallon, which shall be securely
10 sealed;

11 ~~(5)~~ (5) May, subject to federal labeling and bottling
12 requirements, sell malt beverages manufactured on the
13 licensee's premises in recyclable containers provided
14 by the licensee or by the consumer which do not exceed
15 one gallon per container and are securely sealed on
16 the licensee's premises to consumers for off-premises
17 consumption;

18 ~~(6)~~ (6) Shall comply with all regulations pertaining to
19 class 4 retail dealer licensees when engaging in the
20 retail sale of malt beverages;

21 ~~(7)~~ (7) May, subject to federal labeling and bottling
22 requirements, sell malt beverages manufactured on the



1 licensee's premises in brewery-sealed containers
2 directly to class 2 restaurant licensees, class 3
3 wholesale dealer licensees, class 4 retail dealer
4 licensees, class 5 dispenser licensees, class 6 club
5 licensees, class 8 transient vessel licensees, class 9
6 tour or cruise vessel licensees, class 10 special
7 licensees, class 11 cabaret licensees, class 12 hotel
8 licensees, class 13 caterer licensees, class 14
9 brewpub licensees, class 15 condominium hotel
10 licensees, class 18 small craft producer pub
11 licensees, and consumers pursuant to conditions
12 imposed by county regulations governing class 1
13 manufacturer licensees and class 3 wholesale dealer
14 licensees; and

15 [~~9~~] (8) May conduct the activities under paragraphs (1)
16 to [~~8~~] (7) at one location other than the licensee's
17 premises; provided that:

18 (A) The manufacturing takes place in Hawaii; and
19 (B) The other location is properly licensed under the
20 same ownership.

21 (o) Class 15. Condominium hotel license. A license to
22 sell liquor in a condominium hotel shall authorize the licensee



1 to provide entertainment and dancing on the condominium hotel
2 premises and to sell all liquor except alcohol for consumption
3 on the premises; provided that a condominium hotel licensee,
4 with commission approval, may provide off-premises catering;
5 provided further that the catering activity is directly related
6 to the licensee's operation as a condominium hotel.

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

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

13 Any licensee who would otherwise meet the criteria for the
14 condominium hotel license class but holds a different class of
15 license may be required to apply for a condominium hotel
16 license.

17 (p) Class 16. Winery license. A winery licensee:

18 (1) Shall manufacture not more than [~~ten~~] twenty thousand
19 barrels of wine on the licensee's premises during the
20 license year;

21 (2) May sell wine manufactured on the licensee's premises
22 for consumption on the premises;



- 1 (3) May sell wine manufactured by the licensee in winery-
2 sealed packages to class 3 wholesale dealer licensees
3 pursuant to conditions imposed by the county by
4 ordinance or rule;
- 5 (4) May, subject to federal labeling and bottling
6 requirements, sell wine manufactured on the licensee's
7 premises in winery-sealed kegs and magnums to
8 consumers for off-premises consumption; provided that
9 for purposes of this paragraph, "magnum" means a glass
10 container not to exceed one half-gallon, which may be
11 securely sealed;
- 12 (5) May, subject to federal labeling and bottling
13 requirements, sell wine manufactured on the licensee's
14 premises in recyclable containers provided by the
15 licensee or by the consumer which do not exceed one
16 gallon per container and are securely sealed on the
17 licensee's premises to consumers for off-premises
18 consumption;
- 19 (6) Shall comply with all rules pertaining to class 4
20 retail dealer licensees when engaging in the retail
21 sale of wine; and



1 (7) May sell wine manufactured on the licensee's premises
2 in winery-sealed containers directly to class 2
3 restaurant licensees, class 3 wholesale dealer
4 licensees, class 4 retail dealer licensees, class 5
5 dispenser licensees, class 6 club licensees, class 8
6 transient vessel licensees, class 9 tour or cruise
7 vessel licensees, class 10 special licensees, class 11
8 cabaret licensees, class 12 hotel licensees, class 13
9 caterer licensees, class 14 brewpub licensees, [~~and~~]
10 class 15 condominium hotel licensees, and class 18
11 small craft producer pub licensees pursuant to
12 conditions imposed by county planning and public works
13 departments and rules governing class 3 wholesale
14 dealer licensees.

15 (q) Class 17. Bring-your-own-beverage license. In
16 counties having a population in excess of 500,000, there is
17 established a class 17 license; provided that in a county having
18 a population of 500,000 or less, the respective commission may
19 establish a class 17 license to which this subsection shall
20 apply.

21 (1) A general license of this class shall authorize the
22 licensee to permit patrons to bring their own liquors



1 for consumption on the premises between the hours of
2 6:00 a.m. to 2:00 a.m. the following day. A licensee
3 under this class shall be issued a license according
4 to the category of establishment the licensee owns or
5 operates. The categories of establishments shall be
6 as follows:

7 (A) Premises in which recorded music and live
8 entertainment, including karaoke, are provided;
9 or

10 (B) Premises in which recorded music and live
11 entertainment, including karaoke and dancing, are
12 provided.

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

18 (3) A licensee under this class shall not be subject to
19 liquor commission rules relating to percentage fees.

20 (r) Class 18. Small craft producer pub license. A small
21 craft producer pub licensee:

22 (1) Shall manufacture not more than:



- 1 (A) Sixty thousand barrels of malt beverages;
2 (B) Twenty thousand barrels of wine; or
3 (C) Seven thousand five hundred barrels of alcohol on
4 the licensee's premises during the license year;
5 provided that for purposes of this paragraph, "barrel"
6 means a container not exceeding thirty one gallons or
7 wine gallons of liquor;
8 (2) May sell malt beverages, wine, or alcohol manufactured
9 on the licensee's premises for consumption on the
10 premises;
11 (3) May sell malt beverages, wine, or alcohol manufactured
12 by the licensee in producer-sealed packages to class 3
13 wholesale dealer licensees pursuant to conditions
14 imposed by the county by ordinance or rule;
15 (4) May sell intoxicating liquor purchased from a class 3
16 wholesale dealer licensee to consumers for consumption
17 on the licensee's premises. The categories of
18 establishments shall be as follows:
19 (A) A standard bar; or
20 (B) Premises in which live entertainment or recorded
21 music is provided. Facilities for dancing by the



1 patrons may be permitted as provided by
2 commission rules;

3 (5) May, subject to federal labeling and bottling
4 requirements, sell malt beverages manufactured on the
5 licensee's premises to consumers in producer-sealed
6 kegs and growlers for off-premises consumption;
7 provided that for purposes of this paragraph,
8 "growler" means a glass or metal container, not to
9 exceed one half-gallon, which shall be securely
10 sealed;

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

16 (A) One gallon per container for malt beverages and
17 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 regulations 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 regulations governing
18 class 1 manufacturer licensees and class 3 wholesale
19 dealer licensees; and
- 20 (9) May conduct the activities under paragraphs (1) to (8)
21 at one location other than the licensee's premises;
22 provided that:



1 (A) The manufacturing takes place in Hawaii; and

2 (B) The other location is properly licensed under the
3 same ownership.

4 [~~(s)~~] (s) Restaurants, retail dealers, dispensers, clubs,
5 cabarets, hotels, caterers, brewpubs, condominium hotels, [~~and~~]
6 bring-your-own-beverage establishments, and small craft producer
7 pubs licensed under class 2, class 4, class 5, class 6, class
8 11, class 12, class 13, class 14, class 15, [~~and~~] class 17, and
9 class 18 shall maintain at all times liquor liability insurance
10 coverage in an amount not less than \$1,000,000; provided that
11 convenience minimarts holding a class 4 license shall not be
12 required to maintain liquor liability insurance coverage in that
13 amount. Proof of coverage shall be kept on the premises and
14 shall be made available for inspection by the commission at any
15 time during the licensee's regular business hours. In the event
16 of a licensee's failure to obtain or maintain the required
17 coverage, the commission shall refuse to issue or renew a
18 license or shall suspend or terminate the license as
19 appropriate. No license shall be granted, reinstated, or
20 renewed until after the required insurance coverage is obtained.

21 [~~(s)~~] (t) It shall be unlawful for any retail licensee
22 except a class 10 licensee to purchase or acquire liquor from



1 any person other than a wholesaler licensed pursuant to this
2 chapter, except as otherwise provided in this section.

3 ~~[(t)]~~ (u) Any provision to the contrary notwithstanding, a
4 patron may remove from any class of licensed premises any
5 portion of wine, liquor, or beer that was purchased on or
6 brought onto the premises of the licensee engaged in meal
7 service for consumption with a meal; provided that it is
8 recorked or resealed in its original container.

9 ~~[(u)]~~ (v) Sections 281-57 to 281-60 shall not apply to
10 classes 8, 9, 10, and 13."

11 SECTION 4. Section 281-33.6, Hawaii Revised Statutes, is
12 amended as follows:

13 1. By amending subsection (a) to read:

14 " (a) Any person holding:

15 (1) A general excise tax license from the department of
16 taxation; and

17 (2) Either:

18 (A) A class 1 ~~[or]~~, class 16, or class 18 license to
19 manufacture wine under section 281-31; or

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



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

5 2. By amending subsection (c) to read:

6 "(c) The holder of a license to manufacture wine issued by
7 another state may annually renew a direct wine shipper permit by
8 providing the liquor commission that issued the permit with a
9 copy of the license and paying all required fees. The holder of
10 a class 1 [~~e~~], class 16, or class 18 license to manufacture
11 wine under section 281-31 may renew a direct wine shipper permit
12 concurrently with the class 1 license by complying with all
13 applicable laws and paying all required fees."

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

16 "**§281-45 No license issued, when.** No license shall be
17 issued under this chapter:

18 (1) To any minor or to any person who has been convicted
19 of a felony and not pardoned, or to any other person
20 not deemed by the commission to be a fit and proper
21 person to have a license; provided that the commission
22 may grant a license under this chapter to a



1 corporation that has been convicted of a felony where
2 the commission finds that the corporation's officers
3 and shareholders of twenty-five per cent or more of
4 outstanding stock are fit and proper persons to have a
5 license;

6 (2) To a corporation the officers and directors of which,
7 or any of them, would be disqualified under paragraph
8 (1) from obtaining the license individually, or a
9 stockholder of which, owning or controlling twenty-
10 five per cent or more of the outstanding capital
11 stock, or to a general partnership, limited
12 partnership, limited liability partnership, or limited
13 liability company whose partner or member holding
14 twenty-five per cent or more interest of which, or any
15 of them would be disqualified under paragraph (1) from
16 obtaining the license individually;

17 (3) Unless the applicant for a license or a renewal of a
18 license, or in the case of a transfer of a license,
19 both the transferor and the transferee, present to the
20 issuing agency a signed certificate from the director
21 of taxation and from the Internal Revenue Service
22 showing that the applicant or the transferor and



1 transferee do not owe the state or federal governments
2 any delinquent taxes, penalties, or interest; or that
3 the applicant, or in the case of a transfer of a
4 license, the transferor or transferee, has entered
5 into an installment plan agreement with the department
6 of taxation and the Internal Revenue Service for the
7 payment of delinquent taxes in installments and that
8 the applicant is or the transferor or transferee is,
9 in the case of a transfer of a license, complying with
10 the installment plan agreement; [~~or~~]

11 (4) To an applicant for a class 2, class 4 except for
12 convenience minimarts, class 5, class 6, class 11,
13 class 12, class 13, class 14, class 15, [~~or~~] class 17,
14 or class 18 license unless the applicant for issuance
15 of a license or renewal of a license, or in the case
16 of a transfer of a license, both the transferor and
17 the transferee, present to the issuing agency proof of
18 liquor liability insurance coverage in an amount of
19 \$1,000,000; or

20 (5) To any applicant who has had any liquor license
21 revoked less than two years previous to the date of



1 the application for any like or other license under
2 this chapter."

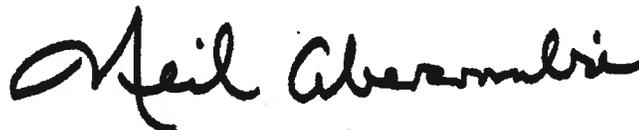
3 SECTION 6. Section 281-61, Hawaii Revised Statutes, is
4 amended by amending subsection (c) to read as follows:

5 "(c) The commission or board shall deny renewal of a class
6 2, class 4, class 5, class 6, class 11, class 12, class 13,
7 class 14, class 15, [~~or~~] class 17, or class 18 license if the
8 applicant for renewal fails to present proof of the liquor
9 liability insurance required by section [~~281-31(r)~~] 281-31(s)."

10 SECTION 7. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 8. This Act shall take effect upon its approval.

APPROVED this 5 day of JUL, 2014



GOVERNOR OF THE STATE OF HAWAII