

STAND. COM. REP. NO.

1034

Honolulu, Hawaii

MAR 22 2013

RE: H.B. No. 1314  
H.D. 1  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2013  
State of Hawaii

Madam:

Your Committee on Public Safety, Intergovernmental and Military Affairs, to which was referred H.B. No. 1314, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIQUOR,"

begs leave to report as follows:

The purpose and intent of this measure is to establish a new class of liquor license for distillery pubs and require beer whose labels convey the impression that the beer was produced in Hawaii to indicate otherwise if the beer was not produced in Hawaii.

Your Committee received testimony in support of this measure from Island Distillers, Kauai Island Brewing Company, Big Island Brewhaus LLC, Maui Brewing Company, and one individual. Your Committee received testimony in opposition to this measure from the Kona Brewing Company and Capitol Consultants of Hawaii. Your Committee received comments on this measure from the Hawaii Liquor Wholesalers Association.

Your Committee finds that there is a common practice where beer breweries of Hawaiian origin manufacture beer outside of the State, then label the beer without indicating its actual origin of manufacture. Your Committee further finds that this practice causes confusion, specifically for consumers who value locally made products in order to support local businesses and to ensure quality and freshness. This measure protects manufacturing and jobs in the State.



Your Committee has amended this measure by:

- (1) Deleting the establishment of a new class of liquor license for distillery pubs;
- (2) Inserting the beer labeling requirements as a new section in part V of chapter 486, Hawaii Revised Statutes, relating to Measurement Standards, Uniform Packaging, and Labeling, rather than in chapter 148, Hawaii Revised Statutes;
- (3) Authorizing the Department of Agriculture to request, rather than require, the use of certain language on beer labels to convey the true place of production in cases where the labels tend to create the false impression that the beer was produced in Hawaii or a region of Hawaii;
- (4) Making optional the inclusion of the name of the bottler and the place where the beer was bottled or canned on beer labels bearing any Hawaiian brand name or adjective, Hawaiian word or statement, design, or device, including locations within Hawaii, for beer that is sold or distributed in the State; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Public Safety, Intergovernmental and Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1314, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1314, H.D. 1, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.



Respectfully submitted on  
behalf of the members of the  
Committee on Public Safety,  
Intergovernmental and Military  
Affairs,

*Will Espero*

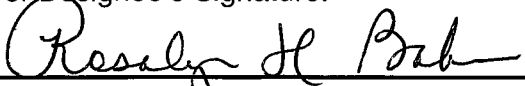
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WILL ESPERO, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Public Safety, Intergovernmental and Military Affairs**  
**PSM**

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1314, HD1	PSM, CPN	3-19-2013		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ESPERO, Will (C)	✓			
BAKER, Rosalyn H. (VC)	✓			
GALUTERIA, Brickwood	✓			
GREEN, Josh				✓
SLOM, Sam			✓	
<b>TOTAL</b>	3	-	1	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:     Original     Yellow     Pink     Goldenrod				
File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes