

Honolulu, Hawaii

APR 25 2014

RE: S.B. No. 3042
S.D. 2
H.D. 1
C.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 3042, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIQUOR LICENSE CLASSES,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Remove the restriction that a class 14 brewpub licensee manufacture not more than thirty thousand barrels of malt beverages on the licensee's premises during the license year;
- (2) Increase the manufacturing limit for class 16 winery licensees to not more than twenty thousand barrels of wine on the licensee's premises during the license year;



- (3) Establish a new class 18 liquor license class for small craft producer pubs;
- (4) Prohibit brewpub and small craft producer pubs from selling intoxicating liquor purchased from class 1 manufacturer licensees for consumption on the premises; and
- (5) Make conforming amendments relating to liquor license classes and federal labeling and bottling requirements.

Your Committee on Conference finds that this measure removes unnecessarily restrictive limitations on malt beverages manufactured by small breweries and creates a new license class that will enable small producers to diversify their product lines. Your Committee on Conference further finds that this measure supports the growth of small businesses, which will have a positive impact on local economic development.

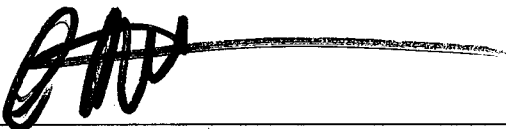
Your Committee on Conference has amended this measure by inserting an effective date of upon approval.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 3042, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 3042, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

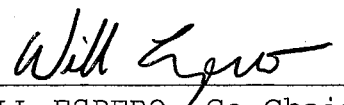
ON THE PART OF THE HOUSE


ON THE PART OF THE SENATE


ANGUS L.K. MCKELVEY, Co-Chair


ROSALYN H. BAKER, Chair


SYLVIA LUKE, Co-Chair


WILL ESPERO, Co-Chair


DAVID Y. IGE, Co-Chair



