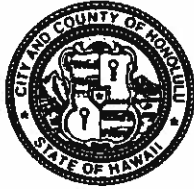


**LIQUOR COMMISSION
CITY AND COUNTY OF HONOLULU**

711 KAPIOLANI BOULEVARD, SUITE 600, HONOLULU, HAWAII 96813-5249
PHONE (808) 768-7300 or (808) 768-7333 • FAX (808) 768-7311
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ADMINISTRATOR

ANNA C. HIRAI
ASSISTANT ADMINISTRATOR

March 12, 2018

The Honorable Roy M. Takumi, Chair
The Honorable Linda Ichiyama, Vice Chair
and Members of the Committee on Consumer
Protection & Commerce

Hearing: Wednesday, March 14, 2018
2:00 PM; Room 329

Position: Oppose as Written SB 2710 SD1, Relating to Intoxicating Liquor

Dear Chair Takumi, Vice Chair Ichiyama, and Members:

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony opposing as written Senate Bill 2710 SD1, Relating to Intoxicating Liquor.

The Commission fully supports legislation that enables licensees to conduct their businesses in a profitable but compliant manner but that also gives reasonable flexibility to regulators in addressing the changing nature of the liquor industry. The original version of the proposed measure did not impact City and County of Honolulu Class 14 Brewpub and Class 18 Small Craft Producer Pub licensees as the Commission does not prohibit by rule the presence of minors on these classes of premises. The SD1, however, may negatively impact its 10 Brewpub licensees and one Small Craft Producer Pub licensee by displacing their business judgment and common sense in situations where a 10:00 PM "curfew" may not be warranted, e.g., an individual aged 20 years and 11 months old versus an individual who is celebrating his or her 21st birthday at the licensed premises. Accordingly, we request the removal of the 10:00 PM limitation, although required accompaniment by an adult is not unreasonable.

The Liquor Commission appreciates the opportunity to provide testimony opposing as written Senate Bill 2710 SD1, Relating to Intoxicating Liquor.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Franklin Don Pacarro, Jr.", is written over a large, stylized blue scribble.

FRANKLIN DON PACARRO, JR.
Administrator

FDP:ACH



March 10, 2018

House Committee on Consumer Protection & Commerce
Wednesday, March 14th, 2018, 2pm
State Capitol, Conference Room 329

Re: **SB2710 SD1**, RELATING TO INTOXICATING LIQUOR, SUPPORTING TESTIMONY

Aloha Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on Consumer Protection & Commerce,

My name is Garrett W. Marrero, I live in Kula, HI. We have locations on Maui in Lahaina and Kihei, and on Oahu in Waikiki and Kailua. We distribute across the Hawaii, 23 other States, and 13 countries. We began in 2005 with 26 team members and have added more than 500 jobs since then. My wife and I were selected as the National Small Business Persons of the year in 2017 for our work at Maui Brewing Co. I'm writing on behalf of myself and our local family-operated business in **with amendments of SB2710 SD1** which creates a uniform application of State Law allowing Minors to be present in a tasting room with a parent/guardian.

In the pursuit of this legislation a revision was made in SD1 that places a restriction only allowing minors up until 10pm. The restriction was placed without fully considering State Law as it currently stands. The State does NOT prohibit minors from being present in brewpubs regardless of food sales. The change in SD1 would then have an opposite effect versus the intentions whereby Oahu and Hawai'i island licensees would now be restricted and Maui and Kauai licenses would be allowed. This is not the intention of this bill. I implore you to consider the highly detrimental effects to Oahu and Hawai'i counties if this revision is to stand.

Breweries and tap rooms are popular places to meet friends and family. **SB2710 SD1** allows minors to be part of family friendly gatherings, encouraging responsible drinking. We are part of a growing business sector. Restricting families from being together at a brewpub reduces the number of customers visiting the tasting rooms of breweries on Maui and Kauai. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer. Visitors with families especially are affected as there is no way to accommodate them on their visits. This hurts the local tourism climate for breweries.

Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. We support having less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian. We have cruise ships and tourists from organized tours visiting our brewery. Cruise ship and other tourism visitors are discouraged from visiting brewpubs and taprooms in Hawaii when family members that are minors are not allowed on the premises, even if accompanied by a parent or guardian of legal drinking age.

Maui Brewing Co. is unaffected by these rules as we have always been granted a variance from the rule. Unfortunately, our friends at Kohola were unable to gain the same exception. Interestingly

Handcrafted Ales & Lagers Brewed with Aloha
605 Lipoa Parkway, Kihei, HI 96753
808.213.3002

enough Kohola occupies our old space that had the right to have minors present. Ian and Christine, the owners of Kohola, have been subjected to numerous bad yelp reviews based on not allowing minors and have clearly lost significant business due to the same. Beer tourism is a real activity these days, and many visitors coming from the west coast are coming to see what Hawaii's breweries are doing. They simply do not comprehend that children cannot visit a brewery as in their home States, as well as across the country, this is simply an ordinary right. Hawaii as a State depends on tourism from Oregon, Washington, California and beyond. All very brewery friendly States that allow children. Hawaii itself allows minors to consume alcohol at home with parents, why can they not attend a visit to brewery and NOT drink when their parents visit.

Breweries and taprooms are not always tied to a kitchen serving food. Our brewery in the past offered food from food truck vendors; yet this did not meet the rules of the County LC as a company owned, licensed kitchen was required. Rules even state the protein and carbohydrate ratios of foods served. This is an over-reaching application of rule despite State law.

Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs. A majority of brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people with an opportunity to learn about and experience craft brewing at a brewery also provides exposure for potential careers, similar to culinary career opportunities.

In short, we respect the absolute necessity to manage consumption and would never do anything that would allow minors to consume. We believe allowing minors in tasting rooms under the right circumstances will support local production and responsible consumption of alcohol.

Mahalo for your consideration. We urge you to pass this bill however it is imperative to remove the restriction placed in SD1.

Thank you for the opportunity to provide testimony in support of **SB2710 SD1 with amendments**.

Mahalo,



Garrett W. Marrero
CEO/Founder

Kauai Beer Company

James Guerber

4265 Rice Street

Lihue, HI 96766

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jim@kauaibeer.com



SB2710 S.D.1 Minors in Tap rooms
Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection & Commerce

Wednesday March 14, 2018 2:00PM Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and members of the House Committee on

Position: **Support**

My name is Jim Guerber and I am the President of the Kauai Beer Company, located in downtown Lihue, Kauai on Rice Street. We have been in business here since 2006 and began formally serving beer in September 2013, with only three employees. We have been instrumental in the effort to revitalize our downtown and are widely recognized for our contribution in that regard. We are in the process of renovating an adjacent space, which will dramatically enhance our ability to serve a larger customer base, increase production and increase our personnel, which is presently 34 full and part-time personnel.

Breweries and tap rooms are popular places to meet friends and family. SB2710 H.D.1 allows minors to be part of family friendly gatherings, encouraging responsible drinking. We are part of a growing business sector where consumers come to enjoy Hawaii's craft beer. Restricting families from being together at a brewpub reduces the number of customers that are able to visit and results in poor ratings for businesses that have to turn families away. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.

The Craft Beer movement encourages sampling beer styles and discovering unique tastes and flavors. This encourages responsible drinking where appreciation of the beer styles is the goal rather than the quantity of consumption. The Kauai Beer Company embraces and promotes the responsible consumption of alcohol.

We support having less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian. Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. This creates inconsistencies for breweries across the state, where some establishments are able to have families in their brewpub and taprooms, tour the brewery as they would a winery, and taste products from the brewery. In other cases families can come into the brewpub with minors and food may be available from food trucks or customers bringing in their own food.

When we started Kauai Beer Company, we had no commercial kitchen. It took us over a year and a half to get our kitchen permitted. Prior to that, we just served Costco pretzels as basically our only food item. But, our Kauai Liquor commission was pono enough to allow us to park food trucks outside of our establishment and basically have them cater dinner for our patrons.

Perhaps a good compromise is to simply allow food served from food trucks to count as food from the brewery.

The rules are not consistent across the state. Some counties do not allow minors in craft beer pubs with their families unless a certain percent of the revenue is from food that comes from their kitchen. Many pubs start as we did, with just a brewery and pub that serves the beer we make, with no food. The intent of this bill (SB2710 H.D.1) is to allow minors to be with their families in a setting where craft beer is tasted regardless of whether there is a kitchen as part of the business. Minors that are with their families can see how craft beer is made, they may see brewing as a future career, and be in an environment where alcohol is consumed responsibly. After all, minors are allowed in wineries, why not breweries?

Craft breweries are not bars. We serve our own beer made by us, and don't generally serve hard liquor. We are much more involved in our communities. I think this food rule was meant to distinguish a restaurant from a bar. Craft breweries were just lumped in with the rest. Again, minors are allowed in wineries, why not breweries?

Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs. Many of the brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people living in Hawaii with an opportunity to learn about and experience craft brewing along with their family provides exposure for potential careers, similar to culinary career opportunities. We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of SB2710.



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March 12, 2018

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m.

SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on
Consumer Protection and Commerce,

Position: **Support**

REAL a gastropub was founded initially in 2012 with 18 original employees as a community gathering place serving local cuisine and hand-crafted beers. We are relocating, rebuilding our flagship and incorporating a 7BBL brewery named Bent Tail Brewing Company into our new location at Keauhou Lane in Kakaako. We will be able to grow into a team of 40 Honolulu residents that sells award winning beers throughout Oahu and with a focus on using local sources for our food as we have since our opening and now add this principal to our beer. We have done this in the face of significant challenges to growth at all levels; financial, shipping, taxation, legislative and more. Changes like this bill can help us continue our success and help others to do the same. We appreciate the on-going support of all individuals and legislators who support issues which enable local manufacturers and businesses to thrive in Hawaii.

SB 2710 S.D. 1 would permit a brewpub and small craft producer pub licensees to allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises.

- ♦ Breweries and tap rooms are popular places to meet friends and family -- community gathering places. This bill would allow minors to be part of family friendly gatherings, encouraging responsible drinking.
- ♦ Restricting families from being together at a brewpub reduces the number of customers visiting our Hawaii breweries and brewpubs, a growing business sector in Hawaii, while allowing families to be together at restaurants that serve beer and other alcoholic beverages is not restricted.
- ♦ Cruise ship and other tourism visitors are discouraged from visiting brewpubs and taprooms in Hawaii when family members that are minors are not allowed on the premises, even if accompanied by a parent or guardian of legal drinking age.

- ♦ Minors visiting breweries and tasting rooms that offer tours and education about craft brewing can broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs.
- ♦ A majority of brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people with an opportunity to learn about and experience craft brewing at a Hawaiian brewery also provides exposure for potential careers, similar to culinary career opportunities.
- ♦ These locations provide sample tastings and information on the beverages being served while also educating visitors on the local nature of the company. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.
- ♦ Tap rooms and breweries are not about mass consumption, they offer a comfortable place for customers to taste craft beer and offer alternative beverages for minors. These experiences model responsible consumption of alcohol.
- ♦ Breweries and taprooms are not always tied to a kitchen serving food. Some offer food from food truck vendors, some allow customers to bring in food, especially smaller breweries that are just starting out. Some State of Hawaii counties do not allow minors on the premises unless a designated percent of revenue comes from food sales – we oppose this restriction for all these reasons above.
- ♦ SB 2710 S.D. 1 can certainly allow limitations and further restrictions to be applied, including set hours after which minors cannot be in a taproom or brewpub – mirroring rules for restaurants and bars.

Mahalo for your consideration, We urge you pass this bill. Thank-you for the opportunity to provide testimony in support of SB 2710 S.D. 1.

Sincerely,

Troy Terorotua

Troy Terorotua
Founder & Owner
REAL a gastropub / Bent Tail Brewing Co
605 Keawe Street
Honolulu, HI, 96813
troy@realgastropub.com
Cell# 808-741-7373



March 12 , 2018

SB2710, S.D.1
Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub
Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the
Committee on Consumer Protection and Commerce,

Position: **Support**

My name is Geoffrey Seideman, I live in Hawaii Kai, Oahu, and I am the Owner and Brewer of Honolulu BeerWorks brewery in Kaka'ako. Mahalo for the opportunity to submit testimony, I apologize that I could not be there in person as my growing business needs me present. I am writing on behalf of our local family-operated business, Honolulu Beerworks, in support of **SB2710 S.D.1**. Our Brewery began business in 2014 with 18 initial employees. We now provide 36 jobs in Hawaii with plans for more job opportunities in the near future.

Breweries and tap rooms are popular places to meet friends and family. SB2710 S.D.1 allows minors to be part of family friendly gatherings, encouraging responsible drinking. We are part of a growing business sector where consumers come to enjoy Hawaii's craft beer. Restricting families from being together at a brewpub reduces the number of customers that are able to visit and results in poor ratings for businesses that have to turn families away. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.

The Craft Beer movement encourages sampling beer styles and discovering unique tastes and flavors. This encourages responsible drinking where appreciation of the beer styles is the goal rather than the quantity of consumption. Honolulu BeerWorks embraces and promotes the responsible consumption of alcohol.

Honolulu Beerworks
328 Cooke St, Honolulu HI. 938 13
808-589-2337

We have always been able to have minors in our brewpub because of our food, and have never encountered any issues in the 4 years we have been open. We created a very family friendly atmosphere here, and encourage all to come and enjoy.

We support having less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian. Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. This creates inconsistencies for breweries across the state, where some establishments are able to have families in their brewpub and taprooms, tour the brewery as they would a winery, and taste products from the brewery. In other cases families can come into the brewpub with minors and food may be available from food trucks or customers bringing in their own food.

When brewery businesses first open they often start with a brewing operation and tap room with no kitchen. Not allowing minors in taprooms, even when accompanied by a parent or legal guardian negatively impacts small breweries in Hawaii that are just starting up.

Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs. Many of the brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people living in Hawaii with an opportunity to learn about and experience craft brewing along with their family provides exposure for potential careers, similar to culinary career opportunities.

We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of SB2710 S.D.1.

Mahalo for your consideration.

Sincerely,

Geoffrey Seideman

Owner/Brewer

Honolulu Beerworks
328 Cooke St, Honolulu HI. 938 13
808-589-2337



KAUAI ISLAND BREWING CO.

PORT ALLEN, HAWAII

March 12, 2018

SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on Consumer Protection and Commerce,

Position: **Support**

My name is Bret Larson and I am the owner of Kauai Island Brewing Company doing business in Eleele, Kauai. Our brewery began in 2012 with 25 employees. We now provide 35 jobs in Hawaii. I support SB 2710, S.D.1.

Breweries and tap rooms are popular places to meet friends and family. SB2710, S.D.1 allows minors to be part of family friendly gatherings, encouraging responsible drinking. We are part of a growing business sector. Restricting families from entering together at a brewpub reduces the number of customers visiting our establishment. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.

Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. We support having less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian.

Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs. We are oftentimes faced with server shortages of qualified labor. We are finding more and more brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people with an opportunity to learn about and experience craft brewing at a brewery also provides exposure for potential careers, similar to culinary career opportunities.

Mahalo for your consideration. We urge you to pass this bill.
Thank you for the opportunity to provide testimony in support of SB 2710, S.D.1.

Sincerely,

Bret Larson
Owner, President, Kauai Island Brewing Company, LLC.
808-755-5926
bret@kauaiislandbrewing.com

Brewery Location: 4350 Waialo Rd, Port Allen, HI 96705
Mailing Address: PO Box 215, Eleele, HI 96705
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Beer Lab HI

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SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on Consumer Protection and Commerce,

Position: **Support**

My name is Derek Taguchi I live in Honolulu, Oahu and I am the CFO at the Beer Lab HI brewery doing business in Honolulu, Oahu. Our brewery began in 2016 with 3 employees. We now provide 12 jobs in Hawaii.

We support SB2710, S.D.1 because it allows our brewery to open our doors to more consumers who enjoy craft beer while consuming responsibly.

Breweries and tap rooms are popular places to meet friends and family. SB2710, S.D.1 allows minors to be part of family friendly gatherings, encouraging responsible drinking. We are part of a growing business sector where consumers come to enjoy Hawaii's craft beer. Restricting families from being together at a brewpub reduces the number of customers that are able to visit and results in poor ratings for businesses that have to turn families away. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.

The Craft Beer movement encourages sampling beer styles and discovering unique tastes and flavors. This encourages responsible drinking where appreciation of the beer styles is the goal rather than the quantity of consumption. We embrace and promote the responsible consumption of alcohol.

Beer Lab HI has had a policy of allowing minors accompanied by adults to be present in the tap room. In our experience, we have seen many young families who many not have many opportunities to experience craft beer come in and enjoy the experience with their families while consuming responsibly.

We support less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian. Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. This creates inconsistencies for breweries across the state, where some establishments are able to have families in their brewpub and taprooms, tour the brewery as they would a winery, and taste products from the brewery. In other cases families can come into the brewpub with minors and food may be available from food trucks or customers bringing in their own food.

When brewery businesses first open they often start with a brewing operation and tap room with no kitchen. Not allowing minors in taprooms, even when accompanied by a parent or legal guardian negatively impacts small breweries in Hawaii that are just starting up. Beer Lab HI's tap room does not contain a kitchen, however, we have always allowed customers to bring their own food and encourage our customers to support our neighboring restaurants and stores by ordering from them.

Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs. Many of the brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people living in Hawaii with an opportunity to learn about and experience craft brewing along with their family provides exposure for potential careers, similar to culinary career opportunities.

We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of SB2710, H.D.1



Cindy Goldstein
Executive Director
Hawaiian Craft Brewers Guild
98-814 C Kaonohi Street
Aiea, HI 96701

SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee
on Consumer Protection and Commerce,

Position: **Support**

The Hawaiian Craft Brewers Guild is a non-profit Hawaii trade organization that seeks to promote production of independent craft beer in Hawaii. The number of independent craft breweries in Hawaii continues to grow, and several breweries have recently, or are in the process of expanding. The Hawaiian Craft Brewers Guild is united in our pursuit to promote economic activity for Hawaii's beer manufacturers and enhance opportunities in our communities. Our members represent the majority of the craft beer producers in Hawaii, with members producing 100% of their beer in Hawaii.

The Hawaiian Craft Brewers Guild embraces and promotes the responsible consumption of alcohol.

While minors are allowed to be in some craft beer establishments with a parent or legal guardian of legal drinking age, this is not consistent across the State of Hawaii. The Hawaiian Craft Brewers Guild supports SB2710 S.D.1 because it removes these inconsistencies that create a disadvantage for some of Hawaii's craft beer brewpubs and small craft producer establishments.

The Hawaiian Craft Brewers Guild supports less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian. Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. Breweries and taprooms are not always tied to a kitchen serving food, especially true in the case of smaller breweries that are just starting out. This creates inconsistencies for breweries across the state.

Some establishments are able to have families tour the brewery as they would a winery, sample products from the brewery, and have the whole family at the brewpub or taproom. In other cases families can come into the brewpub with minors where food may be available from food trucks or customers bringing in their own food. These rules are inconsistent, with some breweries located in counties that don't allow minors with their parents, even when food may be brought in by patrons or available from food trucks.

The bill as originally written addressed the lack of uniformity regarding minors in taprooms across the state. The addition of a rule to this bill with a requirement that minors accompanied by a parent or legal guardian not be allowed in taprooms after 10 p.m. was raised in recent discussions with liquor commission representatives from the counties across the state. This addition creates a new inconsistency, where counties that do not have a restriction related to minors in taprooms would now have an unrelated rule that does not conform to their county policies. As pointed out in discussions with liquor commissions, in some cases where counties do not have a restriction on minors in taprooms and the State of Hawaii does not restrict minors from being present in taprooms based on a required percent of food sales, the addition of a new rule with a time restriction sets up a policy that would not create uniformity.

Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer. Breweries and tap rooms are popular places to gather with friends and family. SB2710 would allow minors to be part of these family friendly events, encouraging responsible drinking. The Hawaii craft beer industry is a growing business sector. Restricting families from being together at a brewpub reduces the number of customers visiting our Hawaii breweries and brewpubs and has generated poor reviews when families are turned away.

Many of the brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people with an opportunity to learn about and experience craft brewing at a Hawaii brewery provides exposure for potential careers, similar to culinary career opportunities. Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs.

Tap rooms and breweries are not about high volume consumption, they offer a comfortable place for customers to taste craft beer and offer alternative beverages for minors. These experiences model responsible consumption of alcohol.

The Hawaiian Craft Brewers Guild appreciates consideration of SB2710 S.D.1 and the comments related to the addition of the 10 p.m. time rule that sets up new inconsistencies between the counties. Thank you for the opportunity to provide testimony in support.



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March 13, 2018

SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on Consumer Protection and Commerce,

Position: **Support**

Big Island Brewhaus was founded initially in 2008 with 9 original employees as a community gathering place serving local cuisine and hand-crafted beers. We have grown into a team of 40 Big Island residents that sells award winning beers throughout Hawaii and is focused on using local sources for our food and beer. We have done this in the face of significant challenges to growth at all levels; financial, shipping, taxation, legislative and more. Changes like this bill can help us continue our success and help others to do the same. We appreciate the on-going support of all individuals and legislators who support issues which enable local manufacturers and businesses to thrive in Hawaii.

SB2710, S.D.1 would permit a brewpub and small craft producer pub licensees to allow minors, who are accompanied by a parent or legal guardian of legal drinking age, on the licensee's premises.

- ♦ Breweries and tap rooms are popular places to meet friends and family -- community gathering places. This bill would allow minors to be part of family friendly gatherings, encouraging responsible drinking.
- ♦ Restricting families from being together at a brewpub reduces the number of customers visiting our Hawaii breweries and brewpubs, a growing business sector in Hawaii, while allowing families to be together at restaurants that serve beer and other alcoholic beverages is not restricted.
- ♦ Cruise ship and other tourism visitors are discouraged from visiting brewpubs and taprooms in Hawaii when family members that are minors are not allowed on the premises, even if accompanied by a parent or guardian of legal drinking age.

- ♦ Minors visiting breweries and tasting rooms that offer tours and education about craft brewing can broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs.
- ♦ A majority of brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people with an opportunity to learn about and experience craft brewing at a Hawaiian brewery also provides exposure for potential careers, similar to culinary career opportunities.
- ♦ These locations provide sample tastings and information on the beverages being served while also educating visitors on the local nature of the company. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.
- ♦ Tap rooms and breweries are not about mass consumption, they offer a comfortable place for customers to taste craft beer and offer alternative beverages for minors. These experiences model responsible consumption of alcohol.
- ♦ Breweries and taprooms are not always tied to a kitchen serving food. Some offer food from food truck vendors, some allow customers to bring in food, especially smaller breweries that are just starting out. Some State of Hawaii counties do not allow minors on the premises unless a designated percent of revenue comes from food sales – we oppose this restriction for all these reasons above.
- ♦ SB2710, S.D.1 can certainly allow limitations and further restrictions to be applied, including set hours after which minors cannot be in a taproom or brewpub – mirroring rules for restaurants and bars.

Mahalo for your consideration, We urge you pass this bill. Thank-you for the opportunity to provide testimony in support of SB2710, S.D.1.

Sincerely,

Thomas D. Kerns

Thomas Kerns

Founder & Brewer

Big Island Brewhaus

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WAIKIKI BREWING COMPANY

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SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,

Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on Consumer Protection and Commerce,

Position: **Support**

My name is Joe Lorenzen. I live in Honolulu, on the island of Oahu, and I am a partner in and Brewmaster of Waikiki Brewing Company with business locations in Waikiki and in Kaka'ako.

We support SB 2710 SD 1 for the following reasons:

Breweries and brewpubs offer a nice, family friendly environment for people to gather together in their communities. SB 2710 SD 1 allows for minors to be in attendance so long as they are accompanied by a parent or guardian of legal drinking age. Restricting families from gathering together at a brewpub only serves to harm business. Making it easier for both residents and visitors to Hawaii to enjoy our establishments is good for business, revenue, and job creation in the growing craft beverage industry.

In addition, allowing minors to visit breweries, brewpubs, and tasting rooms that offer educational tours and information about craft brewing are able to consider possible career opportunities in the industry. The craft beer industry in Hawaii has been and continues to be one of the fastest growing manufacturing sectors in the state, and a viable career for any person to consider.

Mahalo for your consideration. We urge you to pass this bill.

Thank you for the opportunity to provide testimony in support of SB 2710 SD 1

Sincerely,

Joe P. Lorenzen

SB-2710-SD-1

Submitted on: 3/13/2018 1:54:42 PM

Testimony for CPC on 3/14/2018 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:



Kohola Brewery

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SB2710, S.D.1

Relating to Intoxicating Liquor, Brewpubs and Small Craft Producer Pub Licensees

House Committee on Consumer Protection and Commerce,
Wednesday, March 14, 2018 at 2:00 p.m. Conference Room 329

Chair Roy Takumi, Vice Chair Linda Ichiyama, and House Members of the Committee on Consumer Protection and Commerce,

Position: **Support**

My name is Christine Elumba, I live in Kihei, Maui and I am the Co-Founder of Kohola Brewery doing business in Lahaina, Maui. Our brewery began in 2015 with 1 employee. We now provide 8 jobs in Hawaii.

Kohola Brewery support SB2710, S.D.1 because

Breweries and tap rooms are popular places to meet friends and family. SB2710, S.D.1 allows minors to be part of family friendly gatherings, encouraging responsible drinking. We are part of a growing business sector where consumers come to enjoy Hawaii's craft beer. Restricting families from being together at a brewpub reduces the number of customers that are able to visit and results in poor ratings for businesses that have to turn families away. Increasing the ability of local residents and visitors to experience Hawaii's breweries expands brand recognition and the market for all Hawaii craft beer.

The Craft Beer movement encourages sampling beer styles and discovering unique tastes and flavors. This encourages responsible drinking where appreciation of the beer styles is the goal rather than the quantity of consumption. Kohola Brewery embraces and promotes the responsible consumption of alcohol.

We support less confusing and more consistent policies for the presence of minors in our brewpubs and taprooms, accompanied by a parent or guardian. Some of our counties do not allow minors to be in brewpubs and taprooms if they do not have a licensed kitchen that provides a defined percent of revenue, even if accompanied by a parent or guardian of legal drinking age. This creates inconsistencies for breweries across the state, where some establishments are able to have families in their brewpub and taprooms, tour the brewery as they would a winery, and taste products from the brewery. In other cases families can come into the brewpub with minors and food may be available from food trucks or customers bringing in their own food.

When brewery businesses first open they often start with a brewing operation and tap room with no kitchen. Not allowing minors in taprooms, even when accompanied by a parent or legal guardian negatively impacts small breweries in Hawaii that are just starting up. At Kohola, we allow guests to bring their own food, we bring in local chefs and caterers for events and we have a food truck nearby.

As family operated business, I myself cannot even bring my children to my office at the brewery. They cannot enter the brewery even just to sit and wait for me, it's hard enough to be a small business owner in Hawaii, it's even tough for me and my children, my family is the sole reason why I work so hard.

Minors visiting breweries and tasting rooms that offer tours and education about craft brewing are able to broaden their thinking about career opportunities, providing a future local resident base of employees for Hawaii craft breweries and pubs. Many of the brewing jobs in the State of Hawaii are filled by applicants from the mainland and abroad. Providing young people living in Hawaii with an opportunity to learn about and experience craft brewing along with their family provides exposure for potential careers, similar to culinary career opportunities.

We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of SB2710, H.D.1