STAND. COM. REP. NO. 235

Honolulu, Hawaii

February 7 2019

RE: H.B. No. 546 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 546 entitled:

"A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Permit a small craft producer pub licensee to manufacture not more than 125,000 barrels of malt beverages on the licensee's premises per year;
- (2) Clarify that a brewpub licensee or small craft producer pub licensee may conduct certain activities at satellite locations other than the licensee's primary manufacturing premises under certain conditions;
- (3) Clarify the definition of "growler"; and
- (4) Allow direct shipment of all forms of liquor, rather than only wine, by certain licensees.

The Hawaiian Craft Brewers Guild, Kauai Beer Company, Waikiki Brewing Company, Maui Brewing Company, Big Island Brewhaus, Lanikai Brewing Company, REAL a gastropub/Bent Tail Brewing Company, and INU ISLAND ALES testified in support of this measure.

The Hawaii Liquor Wholesalers Association testified in opposition to this measure. The Liquor Commission of the City and County of Honolulu, Department of Liquor Control of the County of Kaua'i, and Hawaii Food Industry Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Limiting direct shipment of liquor to only wine by wineries, and beer manufactured solely in the State by brewpub licensees or small craft producer pub licensees;
- (2) Inserting a preamble which explains the intent of the provisions of this measure;
- (3) Changing its effective date to July 1, 2112; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 546, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 546, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on behalf of the members of the Committee on Economic Development & Business,

ANGUS L.K. McKELVEY, Chair

## State of Hawaii House of Representatives The THIRTIETH Legislature

## HSCR 235

## **Record of Votes of the Committee on Economic Development & Business**

HB 546	Committee Referral:	C, FIN	Date: 2-1-19	
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WI	R) Nays	Excused
1. McKELVEY, Angus L.K. (C)	V			
2. KITAGAWA, Lisa (VC)				
3. ELI, Stacelynn K.M.				
A VOITSVANA V. I				
4. ICHIYAMA, Linda				V
5. JOHANSON, Aaron Ling				
3. JOHANSON, Aaron Ling				
6. QUINLAN, Sean				
				V
7. YAMASHITA, Kyle T.				e garage de la companya de la compa
8. MATSUMOTO, Lauren	V			
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TOTAL (8)	6	Ø	Ø	2
The recommendation is:  Adopted  If joint referral, did not support recommendation.  committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				