STAND. COM. REP. NO. 478

Honolulu, Hawaii

February 15, 2019

RE: H.B. No. 546 H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 546, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Increase the amount of malt beverages a small craft producer pub licensee may manufacture from 60,000 barrels to 125,000 barrels;
- (2) Allow brewpub licensees and small craft producer pub licensees to conduct certain activities at satellite locations;
- (3) Clarify the definition of "growler"; and
- (4) Allow brewpub licensees and small craft producer pub licensees who manufacture beer solely in the State to obtain a direct shipper permit.

Kauai Beer Company, Kaua'i Island Brewing Company, LLC., Honolulu Beerworks, Maui Brewing Co., REAL a gastropub/Bent Tail Brewing Company, Beer Lab HI, Lanikai Brewing Company, Waikiki Brewing Company, and Hawaiian Craft Brewers Guild testified in

support on this measure. The Department of the Attorney General, Liquor Commission of the City and County of Honolulu, Kona Brewing Co., and Hawaii Food Industry Association provided comments.

Your Committee has amended this measure by removing the qualifier that a brewpub licensee or small craft producer pub licensee must manufacture beer solely in the State in order to obtain a direct shipper permit. Thus, as amended, any brewpub licensee and small craft producer pub licensee may obtain a direct shipper permit.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 546, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 546, H.D. 2.

> Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

ROY M. TAKUMI, Chair

HB546 HD2 HSCR CPC HMS 2019-2138

State of Hawaii House of Representatives The THIRTIETH Legislature HSCR_478

Record of Votes of the Committee on Consumer Protection & Commerce

Bill/Resolution No.: HB 546 HD1	Committee Referral: EDB, CPC, FIN			Date: 2/12/19		
☐ 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)						
CPC Members		Ayes	Ayes (WI	R) Na	ıys	Excused
1. TAKUMI, Roy M. (C)		\checkmark				
2. ICHIYAMA, Linda (VC)		✓				
				kg/ [4+4- <u>8-20 [4+1]</u>		
3. AQUINO, Henry J.C.		<i></i>				
4. BELATTI, Della Au						~
5. CABANILLA ARAKAWA, Rid	la	✓ ·				
6. CACHOLA, Romy M.		<u> </u>				. ;
7. HAR, Sharon E.	an a Marketin da	√				
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8. KONG, Sam Satoru		√				
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9. MIZUNO, John M.		a 17 t				V
10 001011 0111						
10. ONISHI, Richard H.K.		V				
11 MATSUMOTO I amore						
11. MATSUMOTO, Lauren		<u> </u>				
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TOTAL (11)		9	C) (>	7
The recommendation is: Adopted Not Adopted did not support recommendation.						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						