

HB 1172 HD 1

Measure Title:	RELATING TO LIQUOR LAWS.
Report Title:	Liquor Laws; Beer; Tap Handle Requirement; Beer Servings; Stacking
Description:	Repeals requirement that there be attached a clear and legible notice, placard, or marker upon the faucet, spigot, or outlet wherefrom the draught beer is drawn. Requires rules adopted by the counties related to stacking of beer to refer to a standard serving of total volume that shall not exceed thirty-two ounces of total volume before a customer at any one time. (HB1172 HD1)
Companion:	SB772
Package:	None
Current Referral:	CPH
Introducer(s):	YAMASHITA

**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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ASSISTANT ADMINISTRATOR

March 25, 2019

The Honorable Rosalyn H. Baker, Chair
The Honorable Stanley Chang, Vice Chair
and Members of the Committee on Commerce,
Consumer Protection, and Health

State Senate
State Capitol, Room 229
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Baker, Vice Chair Chang, and Members of the Committee:

**SUBJECT: House Bill No. 1172 HD1
Relating to Liquor Laws**

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony providing **comments** on the above-referenced measure. As a matter of principle, the Commission fully supports legislation that enables licensees to more efficiently operate their businesses but also gives reasonable oversight to regulators in addressing the changing nature of the liquor industry.

The Commission does not believe the proposed elimination of the tap handle requirement in this measure will negatively impact consumer confidence or safety in the draught beer they purchase. The Commission's licensees have found creative and accessible ways of providing product selection information to their customers, and the incidence of customer complaints about being served a draught product they did not buy has been virtually zero in the past 20+ years.

As the Commission repealed its stacking rule in 2017, the proposed definitional requirement in Section 3 of the proposed measure will have no impact on our licensees.

Thank you for the opportunity to testify.

Sincerely,

for Anna Hira
Franklin Don Pacarro, Jr.
Administrator

FDPjr:ACH



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

HB1172 H.D. 1 Relating to Liquor Laws: Tap Handle Labels and Stacking
Senate Committee on Commerce, Consumer Protection, and Health
Thursday March 28th at 9:15 a.m in Conference Room 229

Position: **Support**

Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Change, and members of the Senate Committee on Commerce, Consumer Protection, and Health

The Hawaiian Craft Brewers Guild is a nonprofit trade organization representing the interests of small craft breweries across the State of Hawaii. Our members are independent craft breweries producing 100% of their beer in Hawaii and represent the majority of craft beer producers in the state. Our members are united in our pursuit to promote economic activity for Hawaii's beer manufacturers and enhance opportunities in our communities.

The Hawaiian Craft Brewers Guild and our member breweries embrace the responsible consumption of alcohol and are proactive in having patrons use ride services such as LYFT, Uber and taxis. Brewery employees are trained to not overserve customers.

The Hawaiian Craft Brewers Guild supports HB1172 H.D.1 revising HRS 281 -78 (b)(7) related to tap handles. The requirement for tap handle labeling is meant to easily allow the consumer to see and identify which beer is poured. We support HB1172 H.D.1 because it allows beer taps to be identified through other means and is less burdensome for business owners of brewpubs, taprooms, and other establishments that serve craft beer.

Small craft breweries and taprooms commonly provide information about the beer they are pouring using new technology of display screens and old technology with blackboards. Display screens and boards are placed in close proximity to tap faucets and spigots, visible at the distances called for in current rules for tap handles.

Use of blackboards, video display screens, and other keys allow the brewpub, tap room or other businesses serving craft beer to keep their list of what is on tap current. Changes and updates can be made easily and rapidly to show what is on each tap.

Our Hawaiian Craft Brewers Guild member breweries share additional details with consumers about each beer using boards, screens and beer menus. Consumers are provided with detailed information that allows them to make better choices including percent alcohol in each beer, special ingredients, and style of beer. The extent of information that is provided goes well beyond the name of the brand adopted by the beer manufacturer, which is called for in the requirement for labeling of a tap handle.

Customers are often seated in a section of an establishment where they are unable to see the area where beer is being poured. Placing a label on a tap faucet or spigot does not provide a customer with additional knowledge that the beer they ordered is the one they received if they are not within view of the properly labeled tap handle.

Hawaii's small craft beer producers offer seasonal brews that are on tap for a few weeks of the year and many will make one-time unique specialty brews. Hawaii's small craft breweries, tap rooms and brewpubs often have a more rapid rotation of their products on tap compared with large national brands that rarely change what is offered. Beer manufacturers provide the brand name on the tap handle and typically include the name of the beer. More rapid rotation combined with one-time and specialty offerings makes it very difficult to have unique handles for each beer that is made. As a matter of practicality, the name of the brewery brand and the name of the craft brew are often longer than what can easily be printed on a tap handle.

We support the change to statute proposed in HB1172 H.D.1 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 H.D.1 would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

Stacking rules

The Hawaiian Craft Brewers Guild fully embraces the responsible serving of alcohol. We support basing the maximum amount of alcohol that can be served on a total volume of 32 ounces rather than number of glasses served at one time. HB1172 H.D.1 calls for a limit to the total volume of beer that can be served rather than the number of glasses that can be served, which allows us to continue to be mindful of not over serving alcohol.

Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. Our member breweries serve flight sized glasses that are typically 4 to 5 ounces per glass. Serving flights of smaller volume provides an opportunity for brewery businesses to expand their offerings for customers with new releases, specialty and seasonal beer choices. Visitors often want to sample a variety of craft brews offered, especially unique beer styles with Hawaii grown ingredients.

We support defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time rather than by number of glasses.

We urge the Senate Commerce, Consumer Protection, and Health Committee to pass this bill. Mahalo for considering our Hawaiian Craft Brewers Guild testimony in support of HB1172 H.D.1.



March 26, 2019

Senate Committee on Commerce, Consumer Protection and Health
HB1172 HD1 Relating to Liquor Laws: Taphandles and Stacking
Thursday, March 28th at 9:15am in Conference Room 229

Re: **IN SUPPORT OF HB1172 HD1**

Aloha Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Chang, and members of the Senate Committee on Commerce, Consumer Protection and Health,

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 States, and 13 countries. We began in 2005 with 26 team members and have added more than 500 to our team. 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 support of **HB1172 HD1** which modernizes two critical points in current liquor laws; namely Taphandles and "Stacking". The rules are both archaic and over-reaching and need to be brought into line with commonly accepted practices across the United States.

Tap Handles

Maui Brewing locations each have their own identity and the layout and design restrictions dictate different methods to mark taps with the brand name. We either have printed menus listing all beer styles available, or blackboards corresponding to a faucet number and or individually taphandles. Keep in mind that since we brew our own beer, in most of our locations the **ONLY** beer you can buy is Maui Brewing Co. beer. Therefore, the requirement to physically attached a marker indicating the "brand" of beer would be irrelevant. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. We have also been reviewing new technology such as video display boards which would allow us to easily change and frequently update our menu.

Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery. There are substantial costs to order taphandles, our last order was more than \$40,000, this is an enormous strain on resources for an item that often goes missing or is damaged in use. Additionally, more and more on-premise accounts are declining to use taphandles in favor of small generic or artful handles and/or video boards such as untapped or taphunter due to the constant rotation of various beers being served.

I would like to also point out that other beverages such as wine and cider that are now commonly served on draft are not required to have taphandles. Beer is the only beverage alcohol subjected to this requirement by Hawaii rules.

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

“Stacking”

Having been cited for “practice to promote excessive consumption” due to this rule I have some interesting perspective. On Maui we are limited to 32oz of beer, or 2 standard servings of alcohol. For the record we believe the standard measure of beer to be 16oz as that is the size of the standard American pint glass. We were cited for promoting excessive consumption because we served four 4oz glasses, a total of 16oz. Due to the fact that there were 4 glasses this is viewed as “excessive consumption” however had we served 2 glasses with 32oz of beer that would be acceptable. So just to be clear twice the amount of beer is okay but HALF that amount in taster glasses is a practice to promote overdrinking. The math just doesn’t add up.

I would like to point out that we have been serving samplers for 14 years on Maui and prior administrations including some in the current office have all been well aware of this.

HB1172 HD1 calls for a limit to the total volume that can be served but not limiting the number of glasses. This is more in line with current market needs and commonly accepted practices across the country.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler sized glasses that are four 4 ounces per glass; our standard beer flight contains 4 glasses or a total of 16oz.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer as well as select a beer to purchase in a growler or crowler to take home and enjoy safely. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support **HB1172 HD1** defining stacking of beer based on a total volume of 32 ounces in front of a customer at any one time.

Thank you for the opportunity to offer these comments in support of the passage of **HB1172 HD1**.

Sincerely,



Garrett W. Marrero
CEO/Founder

Kauai Beer Company

James Guerber
4265 Rice Street
Lihue, HI 96766
98080 639 7821
jim@kauaibeer.com



HB1172 H.D. 1 Relating to Liquor Laws: Tap Handle Labels and Stacking
Senate Committee on Commerce, Consumer Protection and Health
Thursday March 28th at 9:15 a.m. in Conference Room 229

Position: Support

Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Chang, and members of the Senate Committee on Commerce, Consumer Protection and Health,

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. 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 ~60 full and part-time personnel.

Tap Handles

Our brewpub provides information to our customers about the beer we have on tap using (blackboard, video display screen, beer menu). We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of new technology such as video display boards allows us to easily change and frequently update our menu. This legislation allows brewpubs and taprooms to keep their list current to show what is on each tap in a manner that is visible to customers.

As a matter of practicality, the names for some of our craft brews are longer than what can be easily printed on a tap handle. We brew seasonal and sometimes one-time specialty craft beer, making it very costly to design and acquire unique tap handles for each beer that we make. For small craft breweries like ours, we have a more rapid rotation compared with establishments that keep the same beer selection on tap. Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery.

We support the change to statute proposed in HB1172 H.D. 1 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 H.D. 1

would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking

The Kauai Beer Company embraces the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. HB1172 H.D. 1 calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

Current stacking law if interpreted to the letter defeats its own goals. The scenario goes something like this....

A customer orders a pint of Lager for example. After a while, he decides he would like to try the IPA. He tells the server and she brings him a pint of IPA. Unfortunately he still has 8 ounces of lager in the original glass and the server is prevented from serving him the new glass until he finishes the previous one. What does he do? Well, like any red blooded American, He chugs what is left in his glass in order to try the new one. So the current law encourages guzzling!

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler flight sized glasses that are typically 4 ounces per glass. Even though we have 8 beers on tap, we can only serve 6 samples per customer. It would be better to be able to serve 8.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support HB1172 H.D. 1 defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

The Hawaiian Craft Brewers Guild is a craft brewing trade organization that seeks to promote production of craft beer in Hawaii as independent craft breweries. We are 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 craft beer producers in Hawaii, with members producing 100% of their beer in Hawaii.

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



March 26, 2019

HB1172 H.D. 1 Relating to Liquor Laws: Tap Handle Labels and Stacking
Senate Committee on Commerce, Consumer Protection and Health
Thursday March 28th at 9:15 a.m. in Conference Room 229

Position: **Support**

Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Chang, and members of the Senate Committee on Commerce, Consumer Protection and Health,

The Hawaiian Craft Brewers Guild is a craft brewing trade organization that seeks to promote production of craft beer in Hawaii as independent craft breweries. We are 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 craft beer producers in Hawaii, with members producing 100% of their beer in Hawaii.

Tap Handles

Our brewpub provides information to our customers about the beer we have on tap using blackboard and beer menu. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of the black board allows us to change out beers quickly. This legislation allows brewpubs and taprooms to keep their list current to show what is on each tap in a manner that is visible to customers.

As a matter of practicality, the names for some of our craft brews are longer than what can be easily printed on a tap handle. We brew seasonal and sometimes one-time specialty craft beer, making it very costly to design and acquire unique tap handles for each beer that we make. For small craft breweries like ours, we have a more rapid rotation compared with establishments that keep the same beer selection on tap. Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery.

We support the change to statute proposed in HB1172 H.D. 1 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 H.D. 1

Honolulu Beerworks
328 Cooke St, Honolulu HI. 93813
808-589-2337

would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking

Honolulu Beerworks embrace the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. HB1172 H.D. 1 calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler flight sized glasses that are typically ounces per glass.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support HB1172 H.D. 1 defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

Mahalo for your consideration. We urge you to pass this bill.
Thank you for the opportunity to provide testimony in support of HB1172 H.D. 1.

Sincerely,

Geoffrey Seideman
Owner/Brewer

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



Mothers Against Drunk Driving HAWAII
745 Fort Street, Suite 303
Honolulu, HI 96813
Phone (808) 532-6232
Fax (808) 532-6004
hi.state@madd.org

March 28, 2019

To: Senator Rosalyn Baker, Chair, Senate Committee on Commerce and Consumer Protection; Senator Stanley Chang, Vice Chair; and members of the Committee

From: Carol McNamee and Arkie Koehl, Public Policy Committee - MADD Hawaii

Re: House Bill 1172, HD1 – Relating to Liquor Laws

I am Carol McNamee, testifying on behalf of MADD Hawaii (Mothers Against Drunk Driving) in opposition to House Bill 1172, HD1, Relating to Liquor Laws.

This bill addresses the definition of stacking of beer and the definition of a standard serving size of beer. MADD Hawaii questions the basic need for “stacking” of any alcoholic drinks, including beer. The practice would seem to make it possible for the drinker to avoid having any lapse in his or her consumption of alcohol during the time they are in an establishment. Considering the community’s current interest in having stronger laws to prevent impaired driving, it would seem reasonable to end the practice of stacking all together.

In addition, the definition of a “standard serving size” of beer as 32 ounces is very troublesome to MADD. When we speak to the public about various types of alcoholic beverages and their alcohol content, the definition of a “Standard Drink” for beer is 12 ounces which is equivalent to a 5 ounce glass of wine and a standard mixed drink containing 1.5 fluid ounces of 80 proof distilled spirits. For a 160 pound man, about 3 drinks (beer or other beverage) consumed within an hour would bring him to a BAC (blood alcohol content) of .05. About 4 standard drinks would result in a BAC of .08. A standard of 32 ounces as suggested in this bill would get close to 3 standard drinks in the way that scientific studies and journals would use the term. For many people this amount could cause significant impairment for operating a vehicle. Two “standard beers” using the definition in this bill could certainly put a large percentage of our Hawaii population over the illegal limit of a .08 BAC depending on the length of time over which the beer was consumed.

There has been much recent discussion in our community about the necessity of reducing the crime of drinking and driving in order to save lives and prevent horrible injuries. MADD hopes that establishments serving alcohol will be part of the solution and adopt practices or “definitions” that could decrease – and not increase - the number of impaired drivers on Hawaii roads. Thank you for the opportunity to testify in opposition to HB1172, HD1.



506 Keawe Street
Honolulu, Hawaii, 96813

T 808-200-2739
troy@realgastropub.com

realgastropub.com

HB1172 H.D. 1 Relating to Liquor Laws: Tap Handle Labels and Stacking
Senate Committee on Commerce, Consumer Protection and Health
Thursday March 28th at 9:15 a.m. in Conference Room 229

Position: **Support**

Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Chang, and members of the Senate Committee on Commerce, Consumer Protection and Health,

Craft beer production has been steadily increasing and along with that, greater demand for serving craft beer by REAL gastropub / Bent Tail Brewing Company. Policies related to how beer is served to our customers has a great deal of impact on us and we would like to share our viewpoint on bill **HB1172 H.D.1**.

Tap Handles

Our establishment provides information to our customers about the beer we have on tap using various methods such as blackboards, video display screen, beer menu, and online app. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of new technology such as video display boards allows us to easily change and frequently update our menu. This legislation allows our business to keep our list of beer offerings current to show what is on each tap in a manner that is visible to customers.

The intent of making sure the beer that is ordered is the beer that is poured is not ensured by having a tap handle indicating the beer offered on tap. The keg that is connected to the tap is not visible to consumers.

As a matter of practicality, the names for some of the craft brews we serve on tap are longer than what can be easily printed on a tap handle. We serve seasonal and sometimes one-time specialty craft beer. Brewery businesses tell us that it is very costly to design and acquire unique tap handles for each beer they produce.

Current tap handle rules are burdensome for businesses like ours that serve beer from smaller independent craft breweries. We have a more rapid rotation with craft beer that we have on tap compared with establishments that keep the same beer selections on tap.

We support the change to statute proposed in **HB1172 H.D.1** by removing the requirement for labeling of tap handles placed on spigots and faucets. **HB1172 H.D.1** would not require the use of tap handles, and at the same time, does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking related to serving beer

REAL gastropub / Bent Tail Brewing Company has always embraced the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. **HB1172 H.D.1** calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries produce several styles that often vary. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of smaller sized tastings of different kinds of beer.

We like to have the flexibility to be able to serve sampler flight sized glasses that are typically 4 to 6 ounces per glass. Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support **HB1172 H.D.1** defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

Mahalo for your consideration. We urge you to pass this bill.
Thank you for the opportunity to provide testimony in support of **HB1172 H.D.1**.

Sincerely,

Troy Terorotua

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



WAIKIKI BREWING COMPANY

Joe P. Lorenzen, Partner/Brewmaster
831 Queen St.
Honolulu, HI 96813
808-591-0387
brewmaster@waikikibrewing.com

HB1172 H.D. 1 Relating to Liquor Laws: Tap Handle Labels and Stacking
Senate Committee on Commerce, Consumer Protection and Health
Thursday March 28th at 9:15 a.m. in Conference Room 229

Position: Support

Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Chang, and members of the Senate Committee on Commerce, Consumer Protection and Health,

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. Our brewery began with 15 employees in 2015, and now employs a staff of 45.

Waikiki Brewing Company supports HB 1172 HD1. This bill serves to clarify some important points in our current statues pertaining to tap handle labelling and stacking (serving of multiple alcoholic beverages).

The current law requires us to have individual tap handles showing the brand of each beer we serve such that they can be seen from 10 feet away. It seems that this is in order to allow consumers to be clear on what beverage they are being served. In modern taprooms, there are many options other than tap handles to communicate the choice of beverage to the guest. TVs and monitors that present information on brands sold, printed menus, etc. all can convey this information. As a brewer, we often change our offering quite regularly and to have individual tap handles for every brand is not practical.

This bill also addresses stacking. We always encourage responsible drinking and feel that this bill would serve to further encourage responsible drinking by defining what a serving is. For instance, guests in our brewery often purchase small sample size pours of our beers. Depending on how stacking is defined, two of these 4 oz beers can be considered in the same way as two pint glasses of strong liquor drinks. This bill proposes to define the total volume of beer that can be served to a guest at one time, and continues to help promote responsible drinking.

Thank you for the opportunity to testify in support of HB 1172 HD 1.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe P. Lorenzen", with a long, sweeping horizontal line extending to the right.

Joe P. Lorenzen

Kauai Beer Company
Justin Guerber
4265 Rice St
Lihue, HI 96766
(808) 245-2337
justin@kauaibeer.com



HB1172 H.D.1 Relating to Liquor Laws: Tap Handle Labels and Stacking
Senate Committee on Commerce, Consumer Protection and Health
Thursday March 28 th at 9:15 a.m. in Conference Room 229

Position: **Support**

Chair Senator Rosalyn Baker, Vice Chair Senator Stanley Chang, and members of the Senate Committee on Commerce, Consumer Protection and Health,

The Hawaiian Craft Brewers Guild is a craft brewing trade organization that seeks to promote production of craft beer in Hawaii as independent craft breweries. We are 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 craft beer producers in Hawaii, with members producing 100% of their beer in Hawaii.

My name is Justin Guerber and I have been the head brewer at Kauai Beer Company since 2012. I support **HB1172 H.D.1** because we will be able to better serve our customers. Our customers rarely rely on tap handles to indicate which beers are on draught, as they prefer more information than tap handles contain. Our staff also has to be extremely careful, often to the disappointment of customers, to avoid stacking laws that appear to be out of date with the original intent. We have 8 taps and provide 4 ounce samples, meaning a single customer cannot sample all 8 of our flavors at once without stacking. While we take our responsibility to prevent over intoxication very seriously, often these customers are only there for our samples and are not a significant risk.

Tap Handles

Our brewpub provides information to our customers about the beer we have on tap using a blackboard plaque for each beer, hung behind our taps, in easy view of customers. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, IBUs (International Bitterness Units), information about special ingredients, and style of beer. Use of chalkboards allows us to easily change and frequently update our menu. This legislation allows brewpubs and taprooms to keep their list current to show what is on each tap in a manner that is visible to customers.

As a matter of practicality, the names for some of our craft brews are longer than what can be easily printed on a tap handle. We also brew mostly seasonal and one-time specialty craft beer, making it very costly to design and acquire unique tap handles for each beer that we make. For small craft breweries like ours, we have a more rapid rotation compared with establishments that keep the same beer selection on tap. Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery.

We support the change to statute proposed in **HB1172 H.D.1** by removing the requirement for labeling of tap handles placed on spigots and faucets. **HB1172 H.D.1** would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking

Kauai Beer Company embraces the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. **HB1172 H.D.1** calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler flight sized glasses that are typically 4 to 6 ounces per glass.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support **HB1172 H.D.1** defining stacking of beer based on a standard serving size of total volume of 44 ounces before a customer at any one time.

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

Thank you for the opportunity to provide testimony in support of **HB1172 H.D.1**.

HB-1172-HD-1

Submitted on: 3/26/2019 4:57:02 PM

Testimony for CPH on 3/28/2019 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Clifford G Wong, Ph.D	Individual	Oppose	No

Comments:

Committee on Commerce, Consumer Protection and Health

Chairs: Sen. Rosalyn Baker/Stanley Chang

Re: Proposed Stacking Rule changes

I am Clifford G Wong, Ph.D. DABFT, a board-certified toxicologist who oversees the forensic toxicology laboratory at Clinical Labs of Hawaii. Our laboratory performs the blood alcohol testing for all state counties outside of Honolulu. I currently serve as technical support for the law enforcement agencies and prosecutors offices in all counties in the prosecution of DUI alcohol cases. As a person who has seen the consequences of alcohol-impaired driving in postmortem toxicology and have participated as expert witness in the criminal and civil trials of the perpetrators and for the victims, I must strongly oppose this bill on the stacking rule changes. I have participated as an expert witness in many tort civil cases and dram shop litigations against establishments that have overserved alcohol to their customers, resulting in tragic motor vehicle accidents that leave victims either incapacitated for life, or dead.

It is inconceivable to me after that horrific collision between a drunk driver and the pedestrian victims in Kakaako a few months ago that we are even contemplating a bill to increase the amount of alcohol (beer) served to a person at one single sitting (44oz/32oz). Passage of this bill will enable bars to serve a "last call" of beer that could potentially boost a customer's BAC by 0.05- 0.09 g/dL blood at one final drink episode. Bear in mind that the customer may have already consumed a number of prior alcoholic drinks prior to the last call. While the BAC values are estimates for average fit males, the BAC numbers could potentially increase by as much as 10-15% more for females and individuals over 60 yrs of age!

The sad truth of the bill is alcoholic service establishments have been notorious in their vigilance in alcohol overservice. Most bars have limited or inexperienced staff and are often overwhelmed by the total number of customers they must serve and track as the customers often roam throughout the premises. My own preference would be that a final call actually be the final order of the equivalent of a single standard drink.

Additionally, alcohol service establishments should be held accountable for the intoxicants that they serve their customers. Effective legislation would be the requirement for monitoring alcohol content in the customer beyond the service of a single drink (16oz). There are many portable breath alcohol units on the market that are USDOT-certified that could be used to guide the bars in their providing for the safety of their customers when they leave. Uber and Lyft ride services are also great sources of support for the bars and their customers if needed.

Mahalo for your role in consumer protection and health and for consideration of the opposition to this bill.

Clifford G Wong, Ph.D. DABFT



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2/27/19

RE: HB 1172 HD1 laws for Tap handles and Stacking.

Aloha Chair, Vice Chair and Committee members,

Lanikai Brewing Company is a locally owned and operated Craft Brewery here on Oahu in Kailua and we are in support of HB 1172 HD1

My name is Steve Haumschild and I live in Kailua, HI. Only about 5% of the beer consumed in Hawaii is locally made. The local craft beer industry is experiencing historical growth despite all of the economic factors we face. Our cost of production are high, taxes are some of the highest in the country, shipping costs for our geographical isolation, are some of those factors making it about 40-50% more expensive to produce in Hawaii verses elsewhere.

The current laws for Tap Handles are antiquated and are not up to date with digital technology where we can provide significantly more information to our consumers compared to Tap Handles. Consumers that are anywhere in our facility can view a digital display board or view it from their phone if needed and gain significantly more information than a tap handle. Tap Handles do not create a modern look or feel, nor do they guarantee what is coming out of the tap. Since draft can be served all over the restaurant and not just at a bar, tap handles do not provide equal information to all consumers that digital display can. The goals of modernization is to provide consumers more information to choose from and current laws restrict this.

Stacking laws are all over the place between the islands and our goals are to create consistency in stacking. By changing it to a maximum amount of ounces per customer, they can engage in sampling of multiple products in smaller amounts.

None of this encourages overconsumption, quite the opposite, it encourages more information to the consumer to make an educated choice. The craft beer industry is supportive of educated, responsible consumption and does not aim at mass scale.

Lanikai Brewing Company is an Island Inspired® authentic Hawaiian craft beer company making 100% of our brews here in Hawaii. We take our cues from premium, local, rare, and exotic ingredients grown by local farmers and foraged across the Pacific to bring you bold and flavorful beers that you will find nowhere else utilizing Hawaiian terroir. **Please note that variances in growing season conditions can impact batch-to-batch flavor and aroma profiles.

ʻŌkole Maluna,

Steven R Haumschild

Steve Haumschild, MBA
CEO & Brewmaster
Certified Cicerone®
Lanikai Brewing Company, Island Inspired™ Craft Beer

Lanikai Brewing Company, Island Inspired™ Craft Beer
Brewery @ 175-C Hamakua Dr, Kailua, HI 96734
Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734 M-F 4p-10p, S-S 11a-10p
FB: Lanikai Brewing Company, Instagram: @lanikaibrewing

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