

STAND. COM. REP. NO.

44

Honolulu, Hawaii

FEB 18 , 2021

RE: H.B. No. 593

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
H.B. No. 593 entitled:

"A BILL FOR AN ACT RELATING TO ALCOHOL,"

begs leave to report as follows:

The purpose of this measure is to expand the definition of
"beer" to specify an alcohol by volume of no less than 0.5 percent
and to include alcoholic seltzer beverages.

Your Committee received testimony in support of this measure
from Maui Brewing Co., Hawaiian Craft Brewers Guild, Lanikai
Brewing Company, Honolulu Beerworks, Kauai Beer Company, Kaua'i
Island Brewing Company, Koholā Brewery, and two individuals. Your
Committee received comments on this measure from the Department of
Taxation and Tax Foundation of Hawaii.

Your Committee finds that the existing statutory definition
of "beer" is limited and does not adequately represent the unique
aspects of craft beer ingredients that brewers use to develop new
products and new offerings. This measure will help foster the
creation of new and unique styles of beer that are well-suited for
the inclusion of Hawaii-grown agricultural products.

Your Committee notes the request in testimony from the
Department of Taxation to postpone the effective date of this

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measure to January 1, 2022, to provide the Department with time to make the necessary forms, instructions, and computer system changes.

Your Committee has amended this measure by changing the effective date to July 1, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 593, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 593, 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,


SEAN QUINLAN, Chair



