STAND. COM. REP. NO. 2736

Honolulu, Hawaii

MAR 0 3 2022

RE: S.B. No. 2331

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2331 entitled:

"A BILL FOR AN ACT RELATING TO ALCOHOL,"

begs leave to report as follows:

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

Your Committee received testimony in support of this measure from Lanikai Brewing Company, Maui Brewing Co., and Maui Chamber of Commerce. 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 reflect the public's perception of beer in the current marketplace, or adequately represent the unique aspects of craft beer ingredients that brewers use to develop new products and new offerings, such as gluten-free beer or beer with alternative grain ingredients, which are becoming more popular across the United States. Furthermore, the State's definition is not the same as the federal definition, which includes a broader range of substitutes or additions to malted barley and fermentable sugars. This measure will help foster the creation of new and unique styles of beer that are well-suited for the inclusion of Hawaii-grown products and will have a significant



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benefit for local, small, independent craft breweries across the State.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2331 and recommends that it pass Second Reading and be placed on the calendar for Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Judiciary,

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KARL RHOADS, Chair



The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Judiciary JDC

Bill / Resolution No.:*	Committee Referral:			Date:	
5B2331	JDC			02-17-22	
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR	R) Nay	Excused
RHOADS, Karl (C)					
KEOHOKALOLE, Jarrett (VC)					
ACASIO, Laura		\checkmark			
GABBARD, Mike		\checkmark			
KIM, Donna Mercado		\checkmark			
LEE, Chris					
FEVELLA, Kurt					
	·				
TOTAL		7	-	-	-
Recommendation: Not Adopted Not Adopted					
Chair's or Designee's Signature: Kalhooh					
Distribution: Original File with Committee Re		ellow 's Office D	Pink Goldenrod rafting Agency Committee File Copy		

*Only <u>one</u> measure per Record of Votes