



1050 Bishop St. PMB 235 |
Honolulu, HI 96813
P: 808-533-1292 | e:
info@hawaiiifood.com

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Kit Okimoto, Okimoto Corp., *Vice Chair*
Jayson Watts, Mahi Pono, *Secretary/Treasurer*
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Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Advisor*
Gary Okimoto, Safeway, *Immediate Past Chair*

TO: Committe on Judiciary
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: March 28, 2025

TIME: 10:00am

RE: HB108 HD2 SD1 Relating to Intoxicating Liquor
Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in opposition to this measure. We believe that the current three tier system of manufacturers, distributors and retailers is the best system for beer and spirits in our state. This system has functionally allowed for the growth of our distilling and brewing sector, as well as the liquor distribution, and retail sectors in Hawaii. This creates economic growth and jobs, and supports local businesses. The three tier system also helps guard against purchases of beer and spirits by underage persons. Disruption to this system is not necessary and will likely have negative impacts for some of our local businesses. Changing this system could allow minors easier access to alcoholic beverages. For these reasons we ask that this measure be held and we thank you for the opportunity to testify.



March 26, 2025

[COMMITTEE ON JUDICIARY](#)

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

Re: Testimony in Support of HB108 HD2 SD1: Direct-to-Consumer Shipping for Beer and Spirits

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Garrett W. Marrero, and I live in Kihei, Hawai'i. I am the CEO and Founder of Maui Brewing Co., operating locations in Lahaina, Kaanapali, and Kihei on Maui, and Waikiki and Kailua on Oahu. We distribute our beverages across Hawai'i, 26 states, and 2 countries. Since our founding in 2005, we have grown from 26 team members to over 400 statewide.

We at Maui Brewing Co. are in strong support of HB108 HD2 SD1, which would expand direct-to-consumer (DtC) shipping laws to include Hawai'i's breweries and distilleries. This legislation would allow small craft producers to ship products directly to consumers within Hawai'i and to states with reciprocal DtC shipping laws. It modernizes outdated regulations and promotes fairness across all beverage alcohol categories. We recommend removing the language surrounding reciprocity that was added in the last hearing and understand that those Representatives are aligned.

Currently, Hawai'i permits the direct shipping of wine to consumers under established safeguards for age verification, tax collection, and licensing. Beer and spirits should also benefit from this proven system, ensuring:

- Expanded Hawaiian Exports: DtC shipping allows small producers to reach global markets, showcasing Hawai'i's vibrant craft beverage scene.
- Economic Recovery: By creating new revenue streams, this bill supports economic growth, especially in light of reduced tourism.
- Fairness: Allowing wine to ship directly while excluding beer and spirits is inequitable. This bill levels the playing field.

Public sentiment supports modernized DtC shipping laws:

- 82% of alcohol drinkers support updating laws for DtC shipping.
- 76% of consumers would purchase spirits online if allowed.

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

- DtC shipping is already allowed for wine in 47 states plus DC, and 11 for beer and 8 plus DC for spirits.

Concerns about underage access and harm to the three-tier system are unfounded. Existing DtC shipping laws for wine have demonstrated the effectiveness of safeguards, and the same can apply to beer and spirits. FedEx and UPS each have age gating systems to prevent minors from accessing alcohol.

HB108 HD2 SD1 builds upon Hawai'i's established framework for DtC wine shipping under HRS 281-33.6. Expanding it to beer and spirits would:

- Support small craft producers lacking traditional distribution opportunities.
- Increase exports of authentic Hawaiian products.
- Generate additional state tax revenue.

We appreciate the Legislature's consideration of this commonsense measure, which has received strong support in the past. Opposition from wholesalers should be seen as protectionist, as this bill strengthens competition without dismantling the three-tier system. In fact these same wholesalers made the same arguments when wine sought the ship DtC options, they were proven wrong.

Thank you for the opportunity to submit this testimony in strong support of HB108 HD2 SD1. It's a practical step that will grow Hawai'i's craft beverage industry, boost the economy, and align our laws with modern consumer expectations.

Mahalo for your time and consideration!

Sincerely,

A handwritten signature in black ink, appearing to read 'Garrett W. Marrero', written over a horizontal line.

Garrett W. Marrero
CEO/Founder

HB-108-SD-1

Submitted on: 3/26/2025 8:08:44 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Theresa Lewis	Testifying for Koloa Rum Company	Support	Written Testimony Only

Comments:

Aloha Chair and Vice Chair,

I am very pleased that HB108 HD2 SD1 (Direct to Consumer bill) has been scheduled for hearing. This has been an uphill battle and a story about David and Goliath. The small producers have a very tough time getting distributors' attention. You might be able to attract their attention in your own state but not necessarily in other markets. The ability to ship direct to consumers, where permissible, is essential to compete today. Wine has enjoyed this delivery channel for years and the systems in place to prevent fraud are working.

This would mean additional money for the state of Hawaii and ability to keep jobs and hire more people. It is not a threat to distributors because they are refusing to pick this business up today. They can refuse to take on a supplier or only choose to take a few products. We understand that and work within that system. However, distributors are indicating that this threatens their business or the three tier system. It certainly does not impact either since they have freely turned away this business and it hasn't impacted their bottom line. If distributors are permitted to deter the passing of this bill, it will be discriminatory to the small producer, indicating that distributors alone can determine and control their growth.

Mahalo for your time and attention.

Theresa Lewis

**Testimony in Support of H.B. 108 S.D. 1
Relating to Intoxicating Liquor**

Hearing Date: Friday, March 28, 2025

Time: 10:02 AM

Place: Conference Room 016, State Capitol, 415 South Beretania Street

Committee On Judiciary

Chair Rhoads, Vice Chair Gabbard, and Members of the Committee:

I am writing on behalf of Kauai Beer Company in strong support of H.B. 108, S.D. 1, which would allow breweries and distilleries to ship directly to consumers, just as wineries have been permitted to do for years. Expanding direct-to-consumer shipping is a critical step toward market parity, ensuring that Hawaii's breweries and distilleries can compete fairly while contributing to the state's economy.

As a local brewery, our ability to reach new customers is currently restricted by limited distribution options. Direct shipping would open new markets, increasing sales, generating additional tax revenue for the state, and allowing us to expand our staff to meet demand. Wineries have successfully shipped their products under existing safeguards, proving that a well-regulated system can work effectively. Extending these same opportunities to breweries and distilleries is a logical and fair next step.

This bill supports local businesses, fosters economic growth, and modernizes Hawaii's alcohol laws without compromising public safety. I urge the committee to pass H.B. 108, S.D. 1 to provide breweries and distilleries the same opportunities already afforded to wineries.

Mahalo for your time and consideration.

Sincerely,

Justin Guerber

Kauai Beer Company
4265 Rice st
Lihue, HI 96766
justin@kauaibeer.com



March 28, 2025

To: Chair Karl Rhoads and Members of the Senate Committee on Judiciary

From: Kona Brewing Hawaii
Nathalie Carisey; President

RE: HB108 HD2 SD1; Relating to Intoxicating Liquor; **In Support**
March 28, 2025; Conference Room 016

Kona Brewing Hawaii **supports** HB108 HD2 SD1, which allows direct shipment of beer and distilled spirits by certain licensees.

This legislation would create the opportunity for Hawaii's local beer producers to ship products directly to their customers, opening up the potential for revenue growth and economic benefit to the state. This is particularly important for small craft producers who may not have significant opportunities for more conventional distribution. Ultimately, this measure is about parity, fairness, and supporting small businesses. We urge you to please pass this important bill.

Kona Brewing Hawaii continues to run our flagship brewery in a state-of-the-art, 30,000 square-foot facility. We produce 65,000 barrels of malt beverages annually, all of which are sold in Hawaii. For over 30 years, Kona Brewing has proudly invested in the future of Hawaii, and therefore feels passionate about promoting the growth of the craft beer industry while advocating for environmental responsibility, community wellness, and sustainability.

Mahalo for the opportunity to provide testimony in support of HB108 HD2 SD1.



info@beerlabhi.com
www.beerlabhi.com

COMMITTEE ON JUDICIARY

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

NOTICE OF DECISION MAKING

DATE: Friday, March 28, 2025
TIME: 10:02 AM
PLACE: Conference Room 016 & Videoconference
State Capitol
415 South Beretania Street

Dear, Chair, Vice Chair,

I am submitting testimony in strong support of HB108HD2 SD1 with amendments. Direct Shipment of beer and distilled spirits by manufacturers.

Why This Change Is Necessary

Direct shipment of beer and spirits to consumers is a needed avenue of venue for manufacturers in Hawaii. This allows manufacturers to send products directly to customers on the mainland while collecting the tax revenue in Hawaii. This truly allows local producers an easy streamline avenue to export products outside of Hawaii. Please allow Hawaii businesses the greatest chance to survive in this difficult business environment.

There has been push back from wholesalers on this bill arguing against this.

Loss of wages- As a small manufacturer we would be utilizing this bill to export our special release beers to the mainland. We have offered these special release products to our wholesaler (Island Distributing) and gotten rejected as the amount of product is too small for them to deal with. So the wholesalers would not lose any business.

Increase underage access- The shipper is required to check the id of anyone they are delivering to. If there is no one 21+ receiving the shipment they are not allowed to deliver the item.

Loss of local business – This is the exact opposite. The 3 tier system and the wholesalers are setup to hold down small local manufacturers while keeping in essence a monopoly on the getting beer to restaurants. We have beer we want to sell to the outer island and the mainland, but with the current system we have no way of actually getting them the product.



info@beerlabhi.com
www.beerlabhi.com

I appreciate the opportunity to submit this testimony and urge you to support HB108HD1 with the proposed amendment.

Nicolas Wong
Founder/Owner
Beer Lab HI
nicolas@beerlabhi.com
8085427015



March 26, 2025

Re: HB 108, relating to intoxicating liquor.

Chair Rhoads, Vice Chair Gabbard, and Members of the Senate Committee on Judiciary

On behalf of the Wine and Spirits Wholesalers of America¹ (WSWA), whose members include wine and spirit wholesalers large and small across America, we respectfully submit these comments in opposition to HB 108, which would permit distillers and breweries from across the country to ship distilled spirits directly to Hawaii resident's doorsteps.

HB 108 would harm Hawaii's distillers, breweries, and retailers.

HB 108 will not benefit Hawaii's small local distillers and brewers as the online market will be dominated by large, out-of-state companies that have the infrastructure and funds to afford national marketing and shipping.

Direct-to-consumer (DTC) shipments will circumvent Hawaii's retailers entirely and could significantly strain local businesses and potentially lead to store closures and job losses.

Hawaii distillers will only be able to ship spirits to the 6 states and D.C that currently permit alcohol shipping. All other states prohibit spirits shipping. See the attached memo for further explanation.

HB 108 would increase underage access to alcoholic products and is an unfunded mandate.

The shipment of alcohol directly to a consumer's home increases the likelihood of underage access as there is little to no oversight of the final delivery by the common carrier. A recent DTC sting operation by the Vermont by the Department of Liquor and Lottery (DLL) found that:

- No purchase was delivered completely lawfully.
- Two deliveries were made to a minor without the age verification.
- Recipients were only carded 20 percent of the time upon delivery by a common carrier.
- Only half were shipped by a licensed entity and, of those licensed entities, only 20 percent reported shipments to DLL resulting in potential tax loss.

The report concluded that DTC shipping is "significantly underregulated and significant investment to properly regulate DTC and ensure public safety" would be needed. "The cost of a comprehensive [enforcement] program would be extremely expensive for any widespread application. The Department does not currently have the resources to regulate the currently licensed activity [wine DTC shipping]."

The DLL's results correlate with an economic analysis undertaken by WSWA estimating:

¹ WSWA is the trade association that represents wine and spirits wholesalers large and small across America. Founded in 1943, WSWA includes more than 350 member companies in 50 states and the District of Columbia. Our members distribute more than 80 percent of all wines and spirits sold at wholesale in the United States. Across the country wholesalers employ approximately



87,000 people who receive nearly \$7.5 billion in wages annually.



- it would cost Hawaii \$668,962 to fully enforce alcohol DTC shipping.
- DTC shipping could cause a loss of 143 jobs and nearly \$8 million in wages, and
- significantly reduce state and local taxes.

DTC erodes Hawaii’s regulatory control and, importantly, transparency of spirits entering the state and the sale and distribution of those spirits to consumers—a system that has successfully balanced consumer health and safety with access for over 80 years.

We respectfully request that you oppose HB 108.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Chelsea Crucitti', with a long horizontal flourish extending to the right.

Chelsea Crucitti
Vice President, State Affairs
Wine & Spirits Wholesalers of America

Interstate Alcohol Shipping Memo

Re:

State alcohol laws are prescriptive, meaning that an actor in the alcohol industry cannot take an action that is not specifically authorized by state law.

The 21st Amendment, specifically [Section 2](#), prohibits the transportation or importation of intoxicating liquors into any state...for delivery or use therein, if it violates the laws of that state.

Hawaii's code states,

“It shall be unlawful for any person not having a valid license to manufacture or sell any liquor except as otherwise provided in this chapter.... It shall also be unlawful for any person, not having a valid wholesale license or a valid manufacturer's (including rectifier's) license, to import any liquor from without the State, except as otherwise provided in this chapter.

§281-3 Illegal manufacture, importation, or sale of liquor.

This means Hawaii must legislatively authorize and regulate the shipment (e.g., sale) of alcohol from outside its borders to any one not a licensed wholesaler or manufacturer (e.g., Hawaii consumers.)

For this reason, before the Hawaii legislature specifically authorized the shipment of wine from wineries holding a Hawaii direct shipper license, it was a violation of Hawaii's alcohol statute for an entity to ship wine to Hawaii residents. See §281-33.6. Direct shipment of wine by wineries.

Every alcohol statute in the country generally mimics Hawaii's ban on alcohol transportation into its borders without a license and requirement that those products are imported only to a licensed wholesaler (see examples in the appendix).

The exportation of alcohol out of a state does not need statutory authorization, it is only the receiving state that has the authority, and interest, to regulate the alcoholic products entering its borders.

These fundamental alcohol provisions are why Hawaii is one of 46 states that went through the legislature to authorize out-of-state direct wine shipping to its residents and why only six states (Alaska, Arizona, Kentucky, Nebraska, New York, and North Dakota) and DC have legislatively amended their alcohol code to also permit spirits to be shipped into its borders and directly to a resident.

Therefore, **Hawaii distillers may currently ship to only Alaska, Arizona, Kentucky, Nebraska, New York, and North Dakota and DC.**

A Hawaii entity that ships spirits to any of the other 44 states is breaking the law of that state just as a Nevadan entity that ships spirits to Hawaii is breaking Hawaii law. (See the extensive illegal shipping enforcement activity by [Massachusetts](#) and [Vermont](#).)

If Hawaii enacts a spirits DTC shipping law, it will only serve to authorize large, out-of-state distilleries to ship cases of liquor from the mainland directly to Hawaii resident's doorsteps and harm local distilleries and retailers that will be bypassed.

Appendix

California:

23661.

- (a) Except as otherwise provided in this section, alcoholic beverages shall be brought into this state from without this state for delivery or use within the state only by common carriers and only when the alcoholic beverages are consigned to a licensed importer, and only when consigned to the premises of the licensed importer or to a licensed importer or customs broker at the premises of a public warehouse licensed under this division.

Nevada

NRS 369.490 Unlawful possession, sale or transportation of liquor; exceptions.

1. Except as otherwise provided in subsection 2 and [NRS 369.176](#) and [369.489](#), a person shall not directly or indirectly, himself or herself or by his or her clerk, agent or employee, offer, keep or possess for sale, furnish or sell, or solicit the purchase or sale of any liquor in this State, or transport or import or cause to be transported or imported any liquor in or into this State for delivery, storage, use or sale therein, unless the person:

- (a) Has complied fully with the provisions of this chapter;
- (b) Holds an appropriate, valid license, permit or certificate issued by the Department; and
- (c) Has been duly designated by the supplier of that liquor pursuant to [NRS 369.386](#) or purchased the liquor in compliance with [NRS 369.486](#).

2. Except as otherwise provided in subsection 3, the provisions of this chapter do not apply to a person:

- (a) Entering this State with a quantity of alcoholic beverage for household or personal use which is exempt from federal import duty;
- (b) Entering this State with 1 gallon or less of alcoholic beverage per month from another state for his or her own household or personal use;
- (c) Who:
 - (1) Is a resident of this State;
 - (2) Is 21 years of age or older; and
 - (3) Imports 12 cases or less of wine per year for his or her own household or personal use; or

Florida

3. A craft distillery may not ship or arrange to ship any of its branded products or any other alcoholic beverages to consumers and may sell and deliver only to consumers within the state in a face-to-face transaction at the distillery property. However, a craft distillery licensed under this section may ship, arrange to ship, or deliver such spirits to any manufacturers of distilled spirits, wholesale distributors of distilled spirits, state or federal bonded warehouses, or exporters.

Utah

(2) It is unlawful for a person in the business of selling liquor, a manufacturer, a supplier, an importer of liquor, or staff of the person, manufacturer, supplier, or importer to sell, ship, transport, or cause to be sold, shipped, or transported liquor from an out-of-state location directly or indirectly into this state except to the extent authorized by this title to:

(a) the department;

(b) a military installation;

(c) a holder of a special use permit, to the extent authorized in the special use permit; or

(d) a liquor warehouse licensee licensed to distribute and transport liquor to:

(i) the department; or

(ii) an out-of-state wholesaler or retailer.

(3) (a) It is unlawful for a person in the business of selling beer, a manufacturer, a supplier, an importer of beer, or staff of the person, manufacturer, or importer to sell, ship, transport, or cause to be sold, shipped, or transported beer from an out-of-state location directly or indirectly into this state except to the extent authorized by this title to:

(i) a beer wholesaler licensee;

(ii) a military installation; or

(iii) a holder of a special use permit, to the extent authorized in the special use permit.



Lanikai Brewing Company
175 Hamakua Drive, Unit C
Kailua, Hawaii 96734
www.lanikaibrewing.com

HB108 HD2, SD1 SUPPORT

Aloha Chair, Vice Chair, and members of the JDC committees,

While covid restrictions have passed, local businesses involved in manufacturing of alcohol for hospitality have continued to feel the financial pressure and are still struggling to recover post pandemic with significant increases in costs all around, without proportional increases in margin. Currently, this is the weakest our local manufacturing industry has been in a very long time. While wineries in Hawaii are PERMITTED to ship products directly to consumers, other manufacturers, holding the identical manufacturing licenses are not permitted to ship directly to consumers within the state and across state lines. Since there are established processes with the shipment of alcohol in general that have been established without issues, requesting that all manufactured products under those same licenses be permitted to sell directly to consumers.

Note that not all breweries and distilleries have wholesalers. Many are too small to even receive calls back from wholesalers leaving few sales opportunities for stability and growth DTC supports Hawaii's smallest, newest and most fragile producers.

Can minors get access to alcohol from shipments? NO, this is no different than shipping wine. The major carriers have specialty labels and processes requiring signatures for those over 21 to sign for a package. Minors are not likely to order high end products or specialty items even if they could.

This is not a replacement of a 3-tiered system, this system is already in place with wineries. This is a supplement for it. In Hawaii, we always talk about supporting local businesses and diversifying our economy, this bill does exactly that.

Wholesalers will argue many points, but most importantly, these wholesalers are not distributed in 50 states and will not ship our products to 50 states anyways. This bill would not impact wholesalers since they are not operating in those states. Most of the products that would ship DTC are small batch items that wholesalers will not carry, since the volume isn't enough to meet their minimums.

A vote in favor of this bill is a vote for small businesses and producers in Hawaii working to diversify our economy and grow to be able to eventually export more made in Hawaii products. More products made locally, supports more local jobs and all the affiliate tax basis to the State.

A vote against this bill is a DIRECT VOTE AGAINST SUPPORTING LOCAL PRODUCERS in favor of large, out of state funded wholesalers.

Please vote in FAVOR of this bill. This can potentially not only help stabilize local manufacturing and local jobs, but also increase tax revenue from increased sale of our products proudly made in Hawaii.

Steve Haumschild

CEO & Brewmaster, Certified Cicerone®
Lanikai Brewing Company, Lanikai Spirits both Island Inspired™
Brewery/Distillery @ 175-C Hamakua Dr, Kailua, HI 96734
Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734 everyday 12p-10p
***Coming soon Brewpub on North Shore of Oahu
FB: Lanikai Brewing Company, Instagram: @lanikaibrewing

Lanikai Brewing Company, Island Inspired™ Craft Beer
Brewery @ 175-C Hamakua Dr, Kailua, HI 96734
Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734
FB: Lanikai Brewing Company, Instagram: @lanikaibrewing

HB-108-SD-1

Submitted on: 3/26/2025 2:10:07 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Steve Jefferson	Testifying for dba Kuleana Rum Works	Support	Written Testimony Only

Comments:

Testimony in Support of HB108 HD2 SD1

Submitted by Steve Jefferson, CEO

Kuleana Rum Works, a full-service restaurant and craft distillery

Date: March 26, 2025

Aloha Chair and Members of the Committee,

I strongly support this bill to allow licensed beer and spirits manufacturers to ship directly to consumers in Hawai‘i.

Here are the strongest reasons to pass this bill:

1. **It levels the playing field** – Wineries have had direct-to-consumer (DTC) shipping rights for years. Beer and spirits producers deserve the same opportunity.
2. **It helps small businesses grow** – Many local producers struggle to find distribution through wholesalers. DTC provides a legal, controlled path to serve customers who already want our products.
3. **It meets modern consumer demand** – Customers expect convenience and direct access. This bill helps us meet that expectation while staying competitive with mainland brands.
4. **It includes robust safeguards** – The bill requires age verification, tax compliance, labeling, shipping limits, and audit authority. It is structured to be safe and responsible.
5. **It strengthens Hawai‘i’s economy** – More sales channels mean more production, more jobs, and more opportunities for local businesses to thrive.

Some have raised concerns that this might undercut existing businesses. As a local distillery and full-service restaurant, we disagree. We believe DTC shipping creates **additional value**, not conflict. It helps us stay connected to visitors after they leave the islands and gives local residents greater access to products they already support.

This bill supports fairness, economic growth, and consumer choice—all within a strong regulatory framework.

Mahalo for your consideration.

Sincerely,
Steve Jefferson
Kuleana Spirits, Inc. dba Kuleana Rum Works
CEO
steve@kuleanarum.com



HB108 HD2, SD1 SUPPORT

Aloha Chair, Vice Chair, and members of the JDC committees,

While covid restrictions have passed, local businesses involved in manufacturing alcohol for hospitality have continued to feel financial pressure and are still struggling to recover from the post pandemic with significant increases in costs all around, without proportional increases in margin.

Currently, this is the weakest our local manufacturing industry has been in a very long time. While wineries in Hawaii are PERMITTED to ship products directly to consumers, other manufacturers holding the identical manufacturing licenses are not permitted to ship directly to consumers within the state and across state lines. Since there are established processes with the shipment of alcohol in general that have been established without issues, requesting that all manufactured products under those same licenses be permitted to sell directly to consumers.

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This is not a replacement for a 3-tiered system, this system is already in place with wineries. This is a supplement to it. In Hawaii, we always talk about supporting local businesses and diversifying our economy, this bill does exactly that.

Wholesalers will argue many points, but most importantly, these wholesalers are not distributed in 50 states and will not ship our products to 50 states anyways. This bill would not impact wholesalers since they are not operating in those states. Most of the products that would ship DTC are small batch items that wholesalers will not carry, since the volume isn't enough to meet their minimums.

A vote in favor of this bill is a vote for small businesses and producers in Hawaii working to diversify our economy and grow to be able to eventually export more “made in Hawaii” products. More locally made products support more local jobs and all the affiliate tax basis to the State.

A vote against this bill is a DIRECT VOTE AGAINST SUPPORTING LOCAL PRODUCERS in favor of large, out of state funded wholesalers.

Please vote in FAVOR of this bill. This can potentially not only help stabilize local manufacturing and local jobs but also increase tax revenue from increased sale of our products proudly made in Hawaii.

Al Darling

Co-Founder and CFO

Lanikai Brewing Company, Lanikai Spirits both Island Inspired™

175-C Hamakua Dr, Kailua, HI 96734



808.878.1266
mauiwine.com

HC 1 Box 953
Kula, HI 96790-9304

March 25, 2025

SUPPORT: HB 108/SB 464 DIRECT TO CONSUMER

Please give your support to HB 108 to allow locally produced beer and spirits to direct ship to customers.

Hawaii supported the wine industry in 2001 and 2006, by allowing direct-to-consumer sales of our locally produced wines to customers on the mainland. At that time, this change was crucial for the growth of our company, but in hindsight this change was significant to our viability. Without the ability to ship DTC, I do not believe Maui Wine could have survived the last 4 years due to the disruption of travel during the pandemic and the Maui fires.

Please allow the same opportunity to other Hawaii businesses that produce locally made beers and spirits. In the last 20 years, the business of DTC has evolved with new technologies, shipping software and revenue tax systems that allow for the safe and legal handling of alcohol beverages to consumers.

We also had considerable opposition from the wholesale industry, but their points were fear driven, and not relevant to a small manufacturer that has very limited access to the sales in the wholesale sector. The reality is, Maui Wine's wholesale business in Hawaii and the mainland grew after DTC was permitted for wine. The added exposure and proof of sales validated the demand, and we caught the attention of retailers and wholesalers.

The consumer wants the convenience of picking up their beverages at the market – but many of the wines, beers and distilled spirits from a craft manufacturer in Hawaii does not get a chance to have shelf space or marketing support from a retailer or wholesaler that is driven to support volume products.

Approval of this change allows for growth of Hawaii manufacturing, greater exposure of Hawaii made products, consumer loyalty and sales revenue! Should you have any questions regarding how direct shipping has positively impacted Maui Wine, or the reporting required, please don't hesitate to contact me.

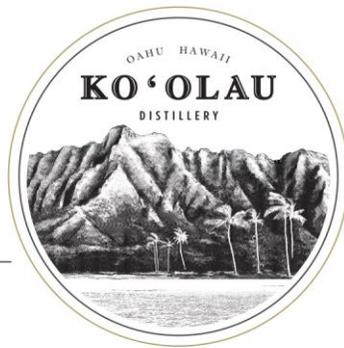
Thank you for your time and consideration of this very important economic opportunity.

Best regards,

Paula J. Hegele
President

koolaudistillery.com

f @koolaudistillery



info@koolaudistillery.com

tel 808 261 0685 905 Kalaniana'ole Highway,
Unit 5014, Kailua, HI 96734

**TESTIMONY IN SUPPORT OF THE FOLLOWING MEASURE:
Strong Support for HB108 – Authorizing Direct-to-Consumer Shipping for Spirits**

March 26, 2025

Aloha Judiciary committee, on behalf of **Ko'olau Distillery**, I submit this letter in **strong support of HB108**, and respectfully request this legislation be passed into law.

This legislation authorizes direct-to-consumer (DTC) shipping for beer and spirits. This is a critical opportunity for Hawai'i's small craft producers to compete in a modern marketplace, connect directly with our customers, and grow our local economy sustainably.

Ko'olau Distillery is a veteran-owned craft spirits producer in Kailua, O'ahu. We proudly make our products right here in Hawai'i using local resources and aloha. But despite our dedication to quality and authenticity, outdated regulations make it nearly impossible to reach customers beyond our island without the involvement of third-party wholesalers and retailers—barriers that many small producers simply cannot overcome. Even those of us with third-party wholesalers are unable to convince our wholesalers to carry small batch limited products which denies a vital income stream. We are looking to give small producers a opportunity to grow and catch the attention of wholesalers and those of us with wholesalers want to be fair partners and have the opportunity to leverage the wholesalers logistics channels for our main stream products and maximize sales of neich small batch products.

By allowing DTC shipping under the same safeguards that currently govern wine shipments—such as age verification, licensing, and tax compliance—**HB108 would level the playing field** and help local manufacturers tap into broader markets, both interisland and across the mainland. The current regulations answer every question about these products safely, making it into the hands of legal aged customers. If we did not move forward with progressive policy due to isolated cases of bad actors, we would not pass any legislation.

At Ko'olau Distillery, we live by the idea: *Made Locally, Shared Globally.*

The future of Hawai'i's economy lies in **exporting products, not people**. Letting our residents thrive in place—creating jobs, growing businesses, and sharing authentic Hawaiian goods with the world—is how we retain talent, support our communities, and reduce our dependence on tourism alone.

We welcome millions of tourists each year to enjoy our island paradise in the name of economic development. So why not let them support our economy **after they leave**? Every visitor who falls in love with a local spirit and wants to continue that experience at home should be able to do so—with every shipment delivering not just a bottle, but a piece of Hawai'i's story, culture, and craftsmanship. For Ko'olau and other local producers, HB108 would:

- **Create new jobs** in production, logistics, and marketing.
- **Expand market access** to consumers eager to support local businesses.
- **Increase tax revenue** for the state through legitimate and trackable sales.
- **Strengthen our identity as a producer of high-quality, world-class goods.**

This bill is a practical and forward-thinking measure that supports small businesses, promotes economic resilience, and empowers Hawai'i's craft beverage industry to reach its full potential. We respectfully urge you to pass HB108. Mahalo nui loa for your time and thoughtful consideration.

Sincerely,
Justin Rivera
General Manager
Ko'olau Distillery
justin@koolaudistillery.com



FIVE WATERFRONT PLAZA
500 ALA MOANA BLVD STE 400
HONOLULU, HAWAII 96813

March 27, 2025

Senate Committee on Judiciary
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair
State Capitol
415 South Beretania Street
Honolulu, HI 96813

Re: House Bill 108 HD2, SD1
Hearing Date: Friday, March 28, 2025
Hearing Time: 10:02 AM

Dear Chair Rhoads, Vice Chair Gabbard and Committee Members:

The Hawaii Liquor Wholesalers Association respectfully submits the following written testimony in **opposition** to HB108 HD2 SD1 Relating to Intoxicating Liquor.

This bill would amend HRS Chapter 281 to allow direct shipment of unlimited amounts of beer or distilled spirits from outside each county to persons within the county.

The primary support for this bill has been from some local producers, who fail to point out that allowing direct shipment intrastate will also give out of state beer and spirit manufacturers the same right to ship directly to Hawaii consumer households.

The Dormant Commerce Clause of Article I Section 8 of the United States Constitution prohibits state legislation that discriminates against or unduly burdens interstate commerce. Consequently, allowing local producers on one island to ship to different islands would necessarily give the same right to large mainland producers to sell and ship directly to local households.

This legislation would not help local producers to export to the mainland, since currently only six other states would allow such direct shipments from Hawaii producers.

This legislation would allow direct shipments to bypass our local wholesalers, retailers, restaurants and dispenser general businesses and result in the following problems:

Public Safety. States that have allowed direct shipments have found that there is little or no oversight of the final delivery of the product. Direct shipment will allow minors easy access to liquor. Direct shipment also increases the likelihood of counterfeit or adulterated product making its way to consumers. Out of the county and out of state shippers have no ties to the local county community and would feel less responsible for sales to minors and for any liability for underage drinking or counterfeit product. This would create numerous oversight issues regarding liability of the producers and shippers. The current three-tier liquor distribution system is intended to protect consumers and has worked to help prevent sales to minors and ensure the integrity of the liquor distribution.

Marketplace Disruption. Direct shipment to Hawaii residents would create marketplace disruption and the possibility of monopolies formed by the largest beer and spirits producers. The current three-tier system of manufacturers, distributors, and retailers has successfully prevented liquor monopolies, helping to a boom in craft brewing and distilling and a diverse marketplace. Direct shipments will make monopolies easier because big players can dominate the online advertising space and in-person large event advertising. Monopolies will only hurt local manufacturers, wholesalers, and related business, which will result in loss of sales and jobs to Hawaii residents.

Claims by supporters of this bill that direct shipment strengthens competition without dismantling the three-tier system are false. The three-tier system requires alcohol products to flow through all three-tiers. Direct shipment bypasses wholesalers, restaurants, and retailers completely.

Loss of Tax Revenue. Claims that direct shipping would generate additional state tax revenue are false. Wholesalers are responsible for collecting excise taxes from retailers and remitting same to the State of Hawaii. Direct shipment bypasses wholesalers and retailers completely, making it difficult for the State and each county to collect the appropriate taxes and license fees and opening the door to unlicensed, out of state or in state illegal shippers.

States that allow direct shipment of wine have found problems in the States' ability to collect taxes. For example, Virginia found that nearly 40% of all shipments were unlicensed and thus nontaxed. There has been no accounting of the current volume of directly shipped wine and whether the proper general excise and liquor taxes are being paid.

Other states have found that direct ship programs have resulted in large amounts of illegal wine delivered to the state without payment of taxes or proper licensing. The impact to Hawaii's economy is significant where nonpayment of taxes and fees allows out of state shippers to undercut local suppliers and businesses. Hawaii risks the loss of millions of tax and license dollars and loss of jobs every year from illegal direct shipments.

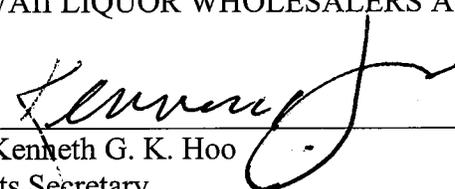
An audit should be conducted to determine whether the current direct ship program is working and whether the State is receiving all the taxes that should be paid on the direct shipments before any consideration is given to expanding direct shipment to other liquor. We are informed of an investigation on Hawaii County started in 2025 which preliminarily shows 150 potential shippers without permits.

Allowing direct to consumer sales would undoubtedly result in the loss of hundreds of jobs, millions in wages, and tax revenue. The cost to implement and enforce such shipments would require funding for the hiring of additional employees and implementation of new procedures, with no source of funding and no assurance that such sales and shipment will be properly enforced.

Based on the above, we respectfully oppose HB108, HD2, SD1. Thank you for your consideration of the foregoing.

Very truly yours,

HAWAII LIQUOR WHOLESALERS ASSOCIATION

By: 

Kenneth G. K. Hoo
Its Secretary



DATE: March 19th, 2025

TESTIMONY IN **STRONG SUPPORT** OF HB 108/SB 464 and HB 1373/SB 976

Aloha,

Thank you for the opportunity to provide testimony in strong support of HB 108/SB 464 and HB 1373/SB 976

I am the owner and President of Lahaina Brewery, dba Koholā Brewery. We were in the West Maui center mauka of Honoapiilani HWY in Lahaina. Our location there was our only production facility and was producing about 3000bbbs a year making us one of the largest craft breweries in the state. We also had our only taproom there that consistently hosted local events, artists and musicians.

We have been brewing and hosting both locals and visitors alike since 2016. We were proud to be the most award-winning brewery in the state and provided living wages to our staff of over 20 people. I am a strong supporter of small business and our local entrepreneurs. Lahaina was the heart of the entrepreneurial community in Maui and with the devastation of the fires, this group of extremely hard-working people have been severely impacted.

In the meantime I have been able to brew with Kona Brewing Hawaii and as a small craft brewer, direct to consumer sales puts us on par with our peer industries such as wine and spirits. Our patrons are very loyal and passionate. We don't have the ability to distribute to the mainland and this would allow us to provide seasonal brews and specialties to our ohana across the Hawaii islands and our visitors from the mainland.

I humbly ask for your support for our community and pass this bill.
Thank you for the opportunity to provide testimony.

Mary Anderson
President/Owner Lahaina Brewery Inc. And Mahalo Aleworks
910 Honoapiilani HWY #55, Lahaina / 30 Kapua St, Makawao
Maui HI

808-303-9491
mary@koholabrewery.com

HB-108-SD-1

Submitted on: 3/27/2025 7:00:07 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Grant Wells	Testifying for Hanalei Spirits Distillery	Support	Written Testimony Only

Comments:

Aloha e kākou!! HELP US HELP YOU get our Limited Release products shipped right to you and we are DOWN to the WIRE. This is the last chance the public can weigh in, so we are asking for your kokua! Have you ever wanted so bad to enjoy one of our limited releases, but couldn't because you don't live on Hawai'i Island? Well then THIS IS FOR YOU!!!!

For years all the breweries and distilleries of Hawai'i have been working hard in our annual legislative sessions to pass a bill that would allow us to ship Direct to Consumer, and this year we are asking you to join us! Strength in numbers right? Our ask: Please submit written testimony in strong support with this simple message BY 9am THURSDAY MORNING.



I am writing in strong support of HB108 SD1 , which expands direct-to-consumer (DTC) shipping privileges in Hawaii to include beer and distilled spirits as well. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system. This helps sustain local producers while building lasting relationships with our visitors and reducing the strain of in-person tourism on our 'āina and infrastructure. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.



March 26, 2025

Dear Members of the Judiciary Committee:

My name is Sam DeWitt, State Government Affairs Director with the Brewers Association, a 501(c)6 national trade association dedicated to promoting and protecting small and independent craft brewers, their beer, and the large community of craft beer enthusiasts. I write today in support of House Bill 108, a commonsense bill that serves craft brewers and customers, both in the Islands and on the continent, and urge a YES vote. We feel very fortunate that now several committees have voted this legislation through, and we're hopeful you see fit to do likewise and create new opportunities for small businesses in Hawaii.

For more than a decade, wine has had the ability to ship direct-to-consumer. They have done so successfully, and have established long-lasting relationships with their clientele by shipping their products both in- and out-of-state. The wine industry (along with their common carrier partners) has been responsible and responsive to concerns about safety, and have shown direct shipping of beverage alcohol to be safe and secure for producers and consumers alike.

Their successes have informed what we feel is a great opportunity for growth within our industry, which is still suffering nationally from the effects of the pandemic and suffering acutely in Hawaii due to the 2023 fires.

According to the just-released 2025 Sovos ShipCompliant Direct-to-Consumer (DTC) [beer shipping report](#), craft beer drinking respondents to a Harris Poll say if a brewery were able to legally offer DTC shipping, 86% of respondents would be likely to try a new beer from that brewery, 76% would increase purchasing if the option were available, and 69% would likely subscribe to a beer club. Craft brewing margins are slim, making every single sale matter. Those high percentages show this to be a way to help save Hawaiian businesses.

Brewers in Hawaii are currently missing out on this potential revenue. 69% of respondents say they would spend \$50 or more per month if allowed to do so, and 44% say they'd spend \$100 or more per month. State laws like Hawaii's are lagging behind consumer demand, with 81% of craft beer drinkers having tried a beer while traveling that they wish they could purchase but is not available near their home, and 88% believing there should be greater legal access to DTC beer shipping. While we understand and appreciate the opposition from our wholesale partners on this issue, I would like to remind them and the members of this committee that customers choosing to seek out beer direct shipping, who are willing to be patient

and wait for the product, and are willing to pay a premium to ship the product to themselves, are unlikely to do any of that if the same product is available through normal wholesale channels like liquor stores, bars, and restaurants. The beers we're talking about *are not available* in their local area through traditional three-tier operations, or they'd go down the street and purchase at the regular price and have it immediately instead of paying a premium and waiting a week or longer to receive it.

The point is that these beers don't currently exist in the wholesale marketplace, so wholesalers are not losing business or routes for their employees. If asked, our friends in the middle tier would surely admit they are unable to carry every product from every brewery and taken to every market. This leaves a fertile middle ground where consumer demand exists, and direct-to-consumer fills in the gap. Indeed, long term, it can open up new product lines for wholesalers in Hawaii just as Hawaiian breweries will benefit from gaining more exposure on the mainland.

Additionally, according to the National Beer Wholesalers Association (NBWA) which puts out an annual Beer Purchasers Index, an informal monthly statistical release to show industry beer purchasing activity, wholesalers are looking to scale back on craft purchasing, cutting SKUs from their inventory, and are not seeking to add more craft to their trucks. This creates not just the opportunity for craft brewers to reach customers directly, but the necessity.

Further, niche SKUs (like seasonal beers, barrel-aged stouts, limited releases) are not meant for wide distribution in the first place. Wholesale partners generally do not want those products on their trucks, even from brands they already represent, leaving few options for those beers to reach the market. For these beers – and the community of beer enthusiasts who want special, limited-run products – DTC shipping is simply the next logical step.

Finally, we've heard throughout this process from the wholesalers that craft brewers refuse to discuss the impact out-of-state shipments into Hawaii could mean for their businesses. This is not an oversight for us; we legitimately feel Hawaiian businesses can stand up to anything from any other state, including beer. As the national association, we see the authorization of direct-shipment of craft beer from coast to coast as the next logical step for our industry, and something that can help every brewery in the country.

Direct-to-Consumer shipping made possible by House Bill 108 is one opportunity to bridge the gap between consumer preferences and the realities of the distributed market.

Thank you for your time and service to the people of Hawaii. We ask that HB 108 be moved forward with a favorable vote.

Sincerely,
Sam DeWitt
State Government Affairs Director
Brewers Association
720.837.6935

HB-108-SD-1

Submitted on: 3/27/2025 7:05:35 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Vindi Wells	Testifying for Hanalei Spirits Distillery Corp	Support	Written Testimony Only

Comments:

Aloha Chair and committee members,

We strongly support HB108 SD1, which expands direct-to-consumer (DTC) shipping privileges in Hawaii to include beer and distilled spirits as well. This measure allows for more EQUALITY in three main areas of our business including Hawaii's small business, hawaii's agriculture and Hawaii tourism industry. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system. This helps sustain local producers while building lasting relationships with our visitors and reducing the strain of in-person tourism on our 'āina and infrastructure. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Thank you for your time and consideration as you help your island residents and business owners.

Sincerely, Vindi Wells, Hanalei Spirits Distillery

Joshua Kopp
Hana Koa Brewing Co.
962 Kawaiahao Street
Honolulu, HI 96814

HB108 Relating to Intoxicating Liquor: Direct Shipment of Liquor

Position: **Support**

I am Joshua Kopp, Head Brewer and Owner of Hana Koa Brewing Co. We are an independent craft brewery producing 100% of our beer in Hawaii. We are united with other members of the Hawaiian Craft Brewers Guild in our pursuit to promote economic activity and growth for Hawaii's beer manufacturers and enhance opportunities in our communities.

Our brewery along with the other member breweries of the Hawaiian Craft Brewers Guild embrace the responsible consumption of alcohol.

Direct to consumer shipping

This bill would allow us to pivot considering the challenges of operating in a more competitive economy. When the pandemic started, we borrowed money in order to purchase a canning line so we could more effectively sell product during the shutdown. This canning line has allowed us to stay afloat by selling to retail establishments and directly to customers through our taproom.

Currently we do not have a distributor as we are a small brewery. Having the ability to ship product to direct to customers inter island and to consumers in states that allow such a transaction would be a game changer. This could be a huge benefactor for the state's tax revenue.

This does a number of things for the state. On top of the increased tax revenue from sales, it also builds exposure for Hawaii's brewery tourism sector. Cities like Denver, Portland, and San Diego already have brewery tourism as a key focus in their tourism industry. By having the ability to send beer to mainland and interisland consumers, we would build this tourism sector through exposure. This would lead to flights, hotels, and other tourist activities being booked by consumers interested in brewery tourism.

We have suffered economic challenges these past few years along with other craft beer manufacturers across the State of Hawaii, with reduced sales and income. We along with other Hawaiian Craft Brewers Guild members are seeking ways to improve our financial stability and direct to consumer shipping offers a chance to increase production and enter new markets by shipping directly to consumers over the age of 21 in other states and within the State of Hawaii to neighbor islands.

We produce includes unique styles and tastes and wholesalers don't always take the time to learn about our products and brand. Enacting this legislation would have significant beneficial impact for our brewery and other small independent craft breweries across Hawaii.

Direct shipment of wine is already allowed. Adding language allowing export of craft beer and other liquor to other states and direct shipping between islands can be accomplished using a similar process to what is already in place for wine. Adding language to existing statute

benefits our brewery and other Hawaii craft beer and alcohol manufacturers, enabling increased production.

The ability of craft beer producers to access customers through direct shipping by permit helps meet our current needs as we struggle through the financial challenges brought about by our current economic climate. Hawaii's independent craft beer manufacturers are a vibrant and innovative small business sector. This legislation would contribute to stabilization and continuation of the growth of our brewery business.

We request the House Committee on Economic development pass this bill. Mahalo for considering our testimony in support of HB108.

HB-108-SD-1

Submitted on: 3/27/2025 8:41:20 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kati Conant	Testifying for NAPALI BREWING COMPANY	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard, and Members of the Committee,

My name is Kati Conant, and I am the co-founder of Napali Brewing Company, a family-run brewery that my husband Blake and I opened just under two years ago. Since then, we have created 35 jobs in our community, and we are deeply invested in the future of Hawai‘i’s craft beverage industry.

I am writing in strong support of HB108 HD2 SD1, which would allow Hawai‘i’s breweries and distilleries to ship directly to consumers (DtC), just as wineries already can. This bill modernizes outdated regulations and provides much-needed opportunities for small craft producers to compete and grow.

Expanding DtC shipping would have significant benefits for both businesses and consumers:

- Expanding Local and Global Reach – Hawai‘i’s small craft producers, like us, rely on direct sales to sustain and grow. This bill would allow us to reach more consumers both within the state and in other states with reciprocal DtC shipping laws.
- Economic Growth & Job Creation – With tourism fluctuating, expanding our ability to sell directly to consumers would provide a crucial new revenue stream, allowing small businesses like ours to create even more local jobs.
- Fairness in the Industry – Currently, wineries can ship DtC in Hawai‘i, while breweries and distilleries are unfairly excluded. This bill would level the playing field and provide equal opportunities for all craft beverage producers.

Concerns about underage access and impacts on the three-tier system are unfounded. Existing safeguards—such as age verification systems used by FedEx and UPS—have proven highly effective in states where DtC shipping is already allowed for beer and spirits. This bill builds upon Hawai‘i’s established framework for wine shipping under HRS 281-33.6, ensuring that beer and spirits are held to the same responsible standards.

HB108 HD2 SD1 is a commonsense, long-overdue measure that will help local businesses thrive, increase exports of authentic Hawaiian products, and generate additional state tax revenue—all while ensuring responsible sales practices.

I urge the committee to pass this bill and support the future of Hawai'i's craft beverage industry.
Thank you for your time and consideration.

Mahalo,
Kati Conant

HB-108-SD-1

Submitted on: 3/27/2025 9:06:42 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Benjamin Lillibridge	Testifying for Malama Mushrooms	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits.

I own a wellness tea company and thus am inherently at an advantage in the marketplace that I can ship my products directly to customers who ordered online anywhere in the world. It's something I don't take for granted as I am *not* at the mercy of distributors who don't have my best interest in mind, take a 20-30% cut for work I can do myself and yet I am legally bound to work with.

Our adult beverage companies do not have this luxury. They are handcuffed to this archaic distribution model of being forced to use middlemen to get their product to their customers.

Why? It's a great question. While I am no historian, it is likely a simple answer; money. Those middle men have been there a long time, prior to the internet itself and thus prior to the "DTC" direct-to-consumer phenomenon that the internet has provided.

Despite the evolution of the marketplace and how people purchase things, the companies there from the beginning have seen the advent of DTC behavior, see how it would effect their business, and have lobbied to block the industry changing and allowing companies to ship directly to their customers. Yet, it is handicapping and stifling the growth of many of our most industrious companies. Specifically, our small craft beverage vendors who are ultimately doing great things for the community.

If you only see it through the lens of the product, giving people access to spirits, it may seem minimal or frivolous. But it's EXPONENTIALLY more than just canned or bottle spirits. I live

on the Moku o Keawe so I refer to the example of Ola Brew, who is sourcing thousands of lbs of locally grown ingredients from Hawai'i farms for their products. The end product of canned and bottle spirits is really a proxy for putting cash in the hands of hard working farmers around the islands that don't have additional outlet for their crop.

I know I don't need to repeat the tired statistics to you but for the uninitiated listening; Hawai'i imports 80% of its food. Our main agricultural export as of recently has been GMO seed-corn for multinational biotech conglomerates that have dumped harmful chemicals into the 'āina. Why are we intentionally making life & business harder for companies doing the right thing with pono farmers?

If small craft spirit companies didn't have to be stifled and stunted by these archaic distribution systems, just think what more good they could do for our local farmers! If the thousands of tourist that visit their bars, restaurants, brewerys/taprooms, etc/ each year also bought even just one product a year when they're back on the continent, that could literally inject millions of dollars into our local economy.

Ola Brew is just one example and I'm sure there are many more throughout the islands doing just as much good work in the community behind the products they create.

Here are some additional ways that this measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system:

1. Economic Diversification and Revenue

- o By allowing beer and spirits DTC shipping, Hawai'i can diversify its economy beyond tourism.
- o Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

2. Support for Small Craft Producers

- o DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.

- o Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

3. Reducing Reliance on Tourism

- o DTC shipping allows visitors who have enjoyed Hawai'i-made products to continue purchasing them from home.

- o This helps sustain local producers while reducing the strain of in-person tourism on our 'āina and infrastructure.

4. Ensuring Responsible Shipping

- o The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.

- o Other states successfully ship beer and spirits using these protocols, and Hawai'i can adopt similar compliance measures.

5. Consumer Demand and Missed Opportunity

- o National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.

- o Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. Mahalo for the opportunity to testify in support of this important legislation. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Respectfully yours,

Ben Lillibridge

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:13:30 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
KEITH MALLINI	Testifying for Kuleana Rum Works	Support	Written Testimony Only

Comments:

Dear Chair and Members of the Committee,

On behalf of Kuleana Rum Shack, I am writing to express strong support for H.B. 108, which would allow direct shipment of beer and distilled spirits by licensed manufacturers in Hawai'i.

I work for a restaurant that is a showcase for our Distillery. This bill is critical for us to provide an additional revenue stream to help offset the high cost of operating a restaurant in this tough new environment of rising food and labor costs. By enabling direct-to-consumer shipping, H.B. 108 provides an opportunity to showcase our Hawaii-grown and Hawaii-produced product to our customers, grow our businesses, and contribute to Hawai'i's economy.

We urge your favorable consideration of H.B. 108 to support Hawai'i's local manufacturers and encourage economic growth.

Mahalo for your time and consideration.

*Sincerely,
Keith Mallini
Kuleana Rum Works*

LATE

DIAGEO
North America

3 World Trade Center, 41st Floor
New York, NY 10007

Tel (212) 202-1800

diageo.com

April 27, 2025

RE: Opposition to HB 108, relating to intoxicating liquor

Dear Chair Rhoads, Vice Chair Gabbard, and Members of the Senate Committee on Judiciary,

On behalf of Diageo North America, we respectfully submit this letter in strong opposition to HB 108, which would permit the direct-to-consumer shipping of distilled spirits in Hawai'i.

Diageo is a global leader in beverage alcohol, with a portfolio that includes many of the most recognized and respected brands in the world, including Johnnie Walker, Crown Royal, Bulleit, Buchanan's, Smirnoff, Cîroc, Ketel One, Captain Morgan, Baileys, Casamigos, Don Julio, Tanqueray, and Guinness. We are dedicated to promoting alcohol responsibility through initiatives such as partnerships with Mothers Against Drunk Driving and Responsibility.org as well as the [Diageo Marketing Code](#), which ensures responsible advertising and marketing of our brands.

We oppose HB 108 because it would undermine Hawai'i's three-tier system. The three-tier system provides that specially licensed entities must play a critical role in the manufacture, import, distribution, and sale to consumers of alcohol products. This system has been the cornerstone of beverage alcohol regulation in the United States since the end of Prohibition, protecting important interests relating to public health, responsible marketing and sales, and proper tax collection and enforcement. By allowing the shipment of distilled spirits products from alcohol suppliers (including out-of-state suppliers) directly to consumers, HB 108 would eliminate the role of Hawai'i's licensed distributors and retailers.

Before moving forward with such a significant change, we encourage careful study of the financial, social, legal, and environmental impacts of direct-to-consumer shipping. This should include consideration of implications for the distilled spirits industry (which has not reached a consensus on this topic) and for trade practice regulations relating to Hawai'i's three-tier system.

We urge the Committee to reject HB 108 and preserve the state's strong and balanced regulatory framework. Diageo is committed to working in good faith with lawmakers to develop responsible solutions.

Thank you for the opportunity to share our perspective and for your ongoing leadership in shaping sound policy for Hawai'i.

Sincerely,



Francisco Castillo
Director, State Government Relations West Region

March 27th, 2025

RE: HB108

Position: SUPPORT

Aloha Chair Rhoads and Vice Chair Gabbard and Members of the Committee,

My name is Naehalani Breeland and I am the President and Co-Founder of Ola Brew. We would like to work together with the other parties interested in strongly supporting HB108. Ola Brew is a Hawai'i Island community- and employee-owned brewery with over 4,200 community owners and two taprooms, one in Hilo and one in Kona. Our mission is to encourage the growth of Hawai'i's agricultural economy by purchasing local ingredients and incorporating them into our specialty brews. Since opening our doors in Dec. 2017, Ola Brew has purchased over \$3.6M worth of local agriculture that has increased annual revenues for over 120 farmers, supported countless local businesses and contractors and currently employs over 65 Hawai'i Island residents.

We have also recently begun resurrecting our Monarch-era distilled spirit, 'Okolehao, and have won over 60 international awards for the spirit. We are currently renovating the former Hilo Sugar Mill as our distillery which is located right on Hilo Bay, and are looking forward to the incredible agricultural opportunities we see with the production of this Spirit of Hawai'i.

I stand by my previous testimonies regarding diversifying Hawai'i's economy through producing more value added exports which in turn increases the state's tax income through more exports, and also gives the opportunity for our small businesses to create lasting relationships with visitors through these products without the added weight on Hawai'i's 'āina and infrastructure.

Now, I'd like to speak directly to some of the concerns outlined by the Hawai'i Liquor Wholesalers Association regarding their concerns of HB108, as I believe they are a bit misleading.

Their first concern outlined is that of the direct shipped products getting into the hands of individuals under the age of 21. Consumption of alcohol by minors is a concern that we all share as liquor license holders in our taprooms and our retail spaces. Direct to Consumer shipping doesn't change that for us or for the national couriers, like Fed Ex, and UPS that require each license holder to become an authorized alcohol shipper in their organization as well. With the exponential rise of e-commerce in every other industry, it only makes sense for this industry as well. Of course regulations and compliance standards to ship alcohol are of the utmost importance, and those outlined in this bill have been successful with our wine manufacturers here in Hawai'i as well as with other states throughout the US that allow DTC of all alcoholic beverages, including our state of Hawai'i for wine sales direct to consumer.

I also want to point out that we see county liquor control directors are supporting this bill. This is significant, not only because it demonstrates their commitment to compliance and prioritizing small businesses, but also because they are familiar with us and trust us as license holders. They understand the lengths we go to ensure compliance and uphold safety for our communities and beyond.

Another argument is that allowing for direct to consumer shipping will create the possibilities of monopolies within the beer and spirits industry. I will argue that the only monopolies that have ever existed are by the distributors themselves.



HAWAIIAN OLA
BREWING CORPORATION

74-5598 LUHIA ST.
KAILUA-KONA
HAWAII, 96740

WWW.OLABREWCO.COM



Direct to consumer shipping is not presented as a replacement for three tier distribution, but rather an opportunity for small Hawai'i producers to sell specialty items that our distributors will not pick up due to the volume potentials that they see or don't see. An example of this is we have over 40 different products on tap that we produce small can-runs occasionally, and 17 that we sell through our distributor. We release specialties in our taprooms, and every time we do, we get at least 40 requests from outer-islands or from the continent. This could be an easy sale Direct to Consumer, but it isn't worth it to our distributor to set up a new item for 20 cases.

So, a question to our wholesalers: are you willing to distribute every product that we produce? The answer that many Hawai'i producers have heard is a resounding NO and it actually makes sense, because they are looking for high volume moving products. This is where direct to consumer shipping comes in and saves the day. In fact, this would actually help us to vet new products to introduce to our distributor partners here in Hawai'i and throughout the continental US. Many small Hawai'i producers can't take that initial financial risk of launching in a new region. Direct to consumer shipping would not only bring additional tax revenue to the state, but it would allow much needed vetting of new regions that could eventually create traditional distributor partnerships in those areas. So again, this is not doing away with the three tier system, it is working together to test market products, so that we can eventually drive more business to our distributor partners.

Another concern outlined by the Liquor Wholesalers is the fact that if license holders are shipping directly to consumers they may not pay their taxes on products sold in this way. As we are all well aware, our compliance through county, state and federal departments, and the compliance reporting wouldn't allow us to not pay taxes on the products we are making. Our county liquor departments do an incredible job of notifying all licensees of deadlines with compliance standards and a courier or shipping report would be just another compliance item that we would add into our monthly or quarterly reporting.

And lastly, a concern from wholesalers is that permitting direct-to-consumer shipping of alcohol would negatively impact the livelihoods of their 650 employees in Hawai'i and their revenues associated. However, this concern is unfounded because again, the products we intend to sell are not to be in their portfolios.

With that being said, I am speaking on behalf of my 75 employees who happen to also be **owners** of Ola Brew. I'm speaking on behalf of Ola's 4200 community owners and the well-being of their proud investments. NOT passing this bill into law because Wholesalers are persistently lobbying to oppose in an effort to maintain market share, directly effects the 35+ Hawai'i breweries and distilleries, and their entire hui of stakeholders: contractors, farmers, employees, customers, and shareholders and more.

This bill benefits small Hawaii producers, which, in turn, benefits all our stakeholders, creating a more circular economy. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Thank you so much for your time and consideration of this testimony.

Me ka ha'aha'a,



Co-Founder and President - Ola Brew Co
p. 808.388.6654
e. naehalani@olabrewco.com



HAWAIIAN OLA
BREWING CORPORATION

74-5598 LUHIA ST.
KAILUA-KONA
HAWAII, 96740

WWW.OLABREWCO.COM



HB-108-SD-1

Submitted on: 3/27/2025 1:32:40 PM

Testimony for JDC on 3/28/2025 10:02:00 AM



Submitted By	Organization	Testifier Position	Testify
Teri Petrovic	Testifying for Ola brew	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1 Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

2 Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

3 Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.

4 Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.

5 Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii’s small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai‘i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,
Teri Petrovic

HB-108-SD-1

Submitted on: 3/27/2025 9:35:37 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Nicole Trinh	Testifying for Southern Glazer's Wine and Spirits	Oppose	Written Testimony Only

Comments:

I oppose HB108 for the following reasons:

loss of jobs, market place disruption, loss of oversight of under age drinking, loss of tax revenue. The current 3-tier system has worked for many years . It would be a mistake to change it by allowing direct shipment of beer and spirits. Based on the above, we respectfully oppose HB108 HD2.

Thank you for your consideration of the foregoing.

With regards

Nicole Trinh

HB-108-SD-1

Submitted on: 3/27/2025 9:55:31 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Timothy Bagnas	Testifying for Southern Glazers Wine and Spirits	Oppose	Written Testimony Only

Comments:

I am opposing due to Loss of tax revenue, Market place disruption, Loss of oversight of underage drinking, Loss of jobs, and Public safety

HB-108-SD-1

Submitted on: 3/27/2025 9:58:48 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kimo Michio Correa	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

This will affect our livelihood in the state Hawai'i not just as a distributor but as a state.

1. Lost of tax revenue
2. Market place disruption
3. Loss of oversight of underage drinking
4. Loss of jobs
5. Public safety

HB-108-SD-1

Submitted on: 3/27/2025 9:59:20 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Asavin Tongkao-on	Testifying for Southern Glazers Wine & Spirits	Oppose	Written Testimony Only

Comments:

1.
 - 1.
1.
 1. Loss of tax revenue
 2. Market place disruption
 3. Loss of oversight of underage drinking
 4. Loss of jobs
 5. Public safety

HB-108-SD-1

Submitted on: 3/27/2025 10:00:47 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Carolyn Cicora	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

I am extremely opposed to Direct Shipping of alcoholic products in the state of Hawaii. From a monetary position, the loss of tax revenue from the state would be extraordinary as well as the loss of jobs in established wine and spirits distributorships. In addition, direct shipping puts public safety at risk with easier access for underage drinking which endangers the public at large on Hawaii's roadways. I firmly believe it would be a big mistake to pass such a bill and Hawaii's residents will suffer because of it.

HB-108-SD-1

Submitted on: 3/27/2025 10:01:55 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Serrano	Testifying for Southern Glazer's Wine and Spirits	Oppose	Written Testimony Only

Comments:

Loss of tax revenue

market place distrubiton

loss of oversight of underage drinking

loss of jobs

public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:02:00 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
erin fernandes	Testifying for Southern Glaszer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

I oppose Bill HB108 for the following reasons

1. Loss of jobs
2. how would the age of customer be verified

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:04:16 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Rissa Kealoha	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

I am opposing for these reasons:

1. Loss of tax revenue
2. Public safety
3. Loss of jobs
4. Loss of oversight of underage drinking
5. Market place disruption

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:05:34 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
James-Eric Echalas Baloaloa	Testifying for Southern Glazer's Wine & Spirits of Hawaii	Oppose	Written Testimony Only

Comments:

I oppose HB108. Public safety, underage drinking, loss of jobs, marketplace disruption, and loss of tax revenue.

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:06:25 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Shaide Kahaku Quisano	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

1.
 - 1.
1.
 1. Loss of tax revenue
 2. Market place disruption
 3. Loss of oversight of underage drinking
 4. Loss of jobs
 5. Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:07:53 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Justin Bagayas	Testifying for Southern Glazers Wine & Spirits	Oppose	Written Testimony Only

Comments:

Loss of tax revenue

Market place disruption

Loss of oversight of underage drinking

Loss of jobs

Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:09:54 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert Pace	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

1. Loss of tax revenue
2. Market place disruption
3. Loss of oversight of underage drinking
4. Loss of jobs
5. Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:14:38 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Greg E Mukai	Testifying for SGWS Hawaii	Oppose	Written Testimony Only

Comments:

1.
 - 1.
1.
 1. Loss of tax revenue
 2. Market place disruption
 3. Loss of oversight of underage drinking
 4. Loss of jobs
 5. Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:15:43 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Justin Navor	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

Loss of jobs

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:16:13 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Stanley Kawai	Testifying for Southern Glazers wine and spirits	Oppose	Written Testimony Only

Comments:

Loss of tax revenue

Market place disruption

Loss of oversight of underage drinking

Loss of jobs

Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:32:08 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Bernard Goshert	Testifying for Southern Glazer's Wine & Spirit	Oppose	Written Testimony Only

Comments:

- i. Loss of tax revenue
- ii. Market place disruption
- iii. Loss of oversight of underage drinking
- iv. Loss of jobs
- v. Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:32:26 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Celeste Naumu	Testifying for Southern Glazers Wines & Spirits	Oppose	Written Testimony Only

Comments:

loss of jobs, tax revenue, public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:38:44 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Bruce Scott Paternoster	Testifying for SGWS	Oppose	Written Testimony Only

Comments:

- i. Loss of tax revenue
- ii. Market place disruption
- iii. Loss of oversight of underage drinking
- iv. Loss of jobs
- v. Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:41:18 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kimberly Kam	Testifying for On behalf of Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

Having worked many jobs in the retail industry, I can see the ease and allure of having products shipped directly to the customer/consumer, but I believe that stricter rules and regulations should be in place for intoxicating liquor. Some concerns I would have are:

- Public safety
- Under age drinking, less oversight
- Jobs lost
- Disruption in the marketplace
- Loss of tax revenue

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:15:14 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Ray oshiro	Testifying for Southern Glazers Wine & Spirits	Oppose	Written Testimony Only

Comments:

- loss of tax revenue
- marketplace disruption
- loss of oversight of underage drinking
- loss of jobs
- public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:29:47 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Tyson Perreira-Silva	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

Loss of tax revenue

- ii. Market place disruption
- iii. Loss of oversight of underage drinking
- iv. Loss of jobs
- v. Public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:34:15 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Darran Clark	Testifying for Southern Glazers Wine & Spirits	Oppose	Written Testimony Only

Comments: Market place disruption

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:53:40 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Marvin Fulgencio	Testifying for Southern Glazers Wine and Spirits	Oppose	Written Testimony Only

Comments:

It will cause market place disruption. This must not happen

LATE

HB-108-SD-1

Submitted on: 3/27/2025 4:18:55 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandi	Testifying for Southern Glazers Wine& Spirits	Oppose	Written Testimony Only

Comments:

*loss of jobs

*loss of tax revenue

*public safety

*no regulation on underage drinking

LATE

HB-108-SD-1

Submitted on: 3/27/2025 4:19:30 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Noah Murakami	Testifying for Southern Glazers Wine and Spirits Hawaii	Oppose	Written Testimony Only

Comments:

Allowing this will greatly increase the rate of underage drinking as any alcohol website only uses a simple one click exercise to verify age of a website visitor. At most, the website will require you to enter your DOB, if it doesn't have the simple one click verification asking "are you over the age of 21?". This also has the the potential to cause tax revenue losses for the state as these items won't be purchased in local stores anymore if they are purchasing online and having everything shipped to their homes.

LATE

HB-108-SD-1

Submitted on: 3/27/2025 4:28:01 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Melissa Groves	Testifying for Southern Glazers Wine & Spirits	Oppose	Written Testimony Only

Comments:

Loss of jobs

LATE

HB-108-SD-1

Submitted on: 3/27/2025 4:33:48 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Reyna Spencer	Testifying for Southern Glazers Wine and Spirits	Oppose	Written Testimony Only

Comments:

On behalf of Southern Glazers Wine and Spirits i am opposing because of

- Loss of revenue
- Loss of iobs

LATE

HB-108-SD-1

Submitted on: 3/27/2025 4:37:50 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
ELOISA HESUS	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

I'm opposing HB108 for the following reasons:

- 1) Loss of tax revenue
- 2) Market Place Disruption
- 3) Loss of Jobs
- 4) Public Safety
- 5) Loss of Oversight of Underage Drinking

HB-108-SD-1

Submitted on: 3/27/2025 4:48:16 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

LATE

Submitted By	Organization	Testifier Position	Testify
Linda Van	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

Loss of tax revenue, market place disruption, loss of jobs, public safety

LATE

HB-108-SD-1

Submitted on: 3/27/2025 4:52:01 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Gail Hidalgo	Testifying for Southern Glazer's Wine & Spirits	Oppose	Written Testimony Only

Comments:

1. Market Disruption - this bill could disrupt the existing market dynamics by enabling manufacturers to sell directly consumers. It could negatively impact wholesalers and retailers who rely on the current distribution system.
2. Loss of Oversight of Underage Drinking - additionally, direct shipping of alcoholic beverages poses a risk of underage drinking as it may be more challenging to enforce age verification protocols compared to the traditional retail settings.
3. Loss of Jobs - the shift towards direct shipping could result in job losses within the wholesale and retail sectors as fewer intermediaries would be needed to distribute alcoholic beverages.
4. Public Safety - there are concerns that direct shipping could compromise public safety by making it easier for individuals to obtain larger quantities of alcohol without proper oversight.
5. Loss of Tax Revenue - allowing direct shipments of beer and distilled spirits could lead to significant reduction in tax revenue for the state as traditional distribution channels are subject to various taxes and fees, whereas direct shipments would be bypassed.

HB-108-SD-1

Submitted on: 3/26/2025 11:30:24 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Frank Schultz	Individual	Support	Written Testimony Only

Comments:

I support this initiative.

HB-108-SD-1

Submitted on: 3/26/2025 2:01:03 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Marne Pfister	Individual	Support	Written Testimony Only

Comments:

HB108 HD2, SD1 SUPPORT

Aloha Chair, Vice Chair, and members of the JDC committees,

I am writing to submit my support for the HB108 bill as I feel it is a crucial step to allow local businesses the opportunity to survive, which further promotes local sustainability and empowers our communities.

This bill would offer crucial support to local businesses, many of which are still recovering from devastating impacts during and following covid restrictions. This bill specifically would allow smaller local businesses the best opportunity to maximize their reach, keeping in mind that these smaller local businesses are usually extremely reliant on support from their community and organic growth they achieve from creating a brand/company that people want to continue to support even after they've left Hawaii.

As the General Manager of a local brewery's tap house, we place an extremely strong emphasis on utilizing local products and in creating a memorable experience for our customers that showcases local ingredients and pride in our islands. We have countless customers reach out to try to buy our products and support us long after they've left Hawaii, and this bill would allow us to retain these crucial sales and customer reach. I believe this bill would protect a large number of local businesses from succumbing to big corporate businesses with no attachment to Hawaii.

Mahalo,

Marne Pfister
General Manager
Lanikai Brewing Company
167 Hamakua Dr, Kailua, HI 96734

HB-108-SD-1

Submitted on: 3/26/2025 3:20:22 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Paul Friese	Individual	Support	Written Testimony Only

Comments:

No brainer!

Based on shipping & cost already involved in these areas, its archaic not to streamline shipping fees.

We need to keep Hawaii's business landscape competitive!

... & lets share the taste of Aloha!

HB-108-SD-1

Submitted on: 3/26/2025 2:08:15 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
JANELLE KAPLAN	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. ***Economic Diversification and Revenue***
 - *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
 - *Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*
2. ***Support for Small Craft Producers***
 - *DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
 - *Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*
3. ***Reducing Reliance on Tourism***
 - *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
 - *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*
4. ***Ensuring Responsible Shipping***
 - *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
 - *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*
5. ***Consumer Demand and Missed Opportunity***
 - *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
 - *Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Janelle Kaplan

HB-108-SD-1

Submitted on: 3/26/2025 3:38:18 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Jodi Davidson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Jodi Davidson

HB-108-SD-1

Submitted on: 3/26/2025 4:28:39 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Elizabeth Roney deYoung	Individual	Support	Written Testimony Only

Comments:

Aloha - In Support of HB 108

One of the most important things we can do for Hawaii is support our small businesses. It is standard practice in most states to allow direct to consumer alcohol shipments. There are standard practices in place with shippers to ensure safety of this method.

It is in the best interest of Hawaii to export products out of state and out of the country to secure \$ cash flow into the state rather than depend only on locals or tourist to buy our products while they are physically here in the state.

Export will support the locally made product employees and the farmers and small businesses who supply their ingredients and support their operations.

This action will also provide a means of smoothing our revenue so that sales of these local products are not subject to the ups and downs of tourist seasons, or hotel prices. While locals support these industries the vast market of the almost 10 million people per year that come, enjoy and then are able to get our products at home will continue to support our economy.

This regulation is outdated and should be changed immediately in this legislative session.

Support Hawaii businesses by supporting export!

Mahalo for taking action in the positive!

HB-108-SD-1

Submitted on: 3/26/2025 4:36:44 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Madison Masek	Individual	Support	Written Testimony Only

Comments:

I support Hawaii small businesses and their ability to share the aloha DTC with all of their products, including beers and distilled spirits! This bill allows them to reach new markets, foster economic diversity, and provide a critical supplement to the existing three tier system. Support Hawaii businesses, support Hawaii people.

HB-108-SD-1

Submitted on: 3/26/2025 4:42:28 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Lindsay Gee	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- *Small producers are critical for the economy in Hawaii, will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- *DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- *Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*

- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Lindsay Gee

HB-108-SD-1

Submitted on: 3/26/2025 4:53:00 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Chelsea Sasaki	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system. Before further supporting non-local businesses, I feel it is more important to start with supporting our local businesses in Hawaii first.

Economic Diversification and Revenue

By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.

Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

Support for Small Craft Producers

DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.

Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

Reducing Reliance on Tourism

DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.

This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.

Ensuring Responsible Shipping

The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.

Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.

Consumer Demand and Missed Opportunity

National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.

Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii’s small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai‘i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Chelsea Sasaki

HB-108-SD-1

Submitted on: 3/26/2025 4:54:28 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Amya Hudson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system. I miss being able to support local breweries and distilleries from Hawaii. I hope in the future I will be able to contribute to the local economy and purchase goods to be shipped to the mainland.

1. Economic Diversification and Revenue

- o By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- o Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- o DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- o Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- o DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- o This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- o The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- o Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- o National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*

- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State*

HB-108-SD-1

Submitted on: 3/26/2025 4:58:41 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Evan Freel	Individual	Support	Written Testimony Only

Comments:

I am writing in strong support of HB108 SD1, which expands direct-to-consumer (DTC) shipping privileges in Hawaii to include beer and distilled spirits as well. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

HB-108-SD-1

Submitted on: 3/26/2025 5:42:16 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
eric schmitt	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,
Eric Schmitt

HB-108-SD-1

Submitted on: 3/26/2025 5:57:50 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Joshua DeMello	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Joshua DeMello and am a local beer supporter under the handle Island Beer Union on Instagram, providing information on local island beers i. the Pacific. In order for more people to enjoy these island beers, there is a need to pass the bill and allow direct to consumers shipping.

Our local breweries and Distillers in Hawaii are small businesses and experience high operating costs since the grains and equipment needs to be sourced from outside Hawaii. They do utilize local agriculture and suppliers when available which contributes to the Hawaii economy. However, these higher costs leave little room for profits when they are required to use distributors as a middleman. Self distribution provides some relief but limits a breweries distribution to their home island. HB108 would allow breweries and distilleries to expand their reach by providing that distribution beyond their island, increasing the consumer base, revenue, and potential increased investment in local agriculture, real estate, etc.

The fact the bill being proposed already allows for wine producers to take advantage of this but beer and spirits are not is ludicrous. HB108 would provide equity for all of Hawaii's manufacturers so that they can all enjoy a level playing field.

This bill would also contribute to developing new markets and showcasing Hawaii's agriculture and products. Hawaii's portfolio of products would be diversified beyond coffee and mac nuts to include beer and spirits that are on par or exceed any found on the continental US or the world. Evidence of local beers and spirits winning g awards in national al and global beer and spirits competitions are evidence of that.

In conclusion, I am in strong support of economic diversification for Hawaii. I am in strong support of expanding markets for local products. I am in strong support of increasing revenues for local businesses and local revenue through increased market opportunities. and I am in strong support of equality for all Hawaii' businesses. Please consider providing your support for HB108.

Aloha and Mahalo

HB-108-SD-1

Submitted on: 3/26/2025 6:00:42 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
John H. Williams	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

As a long time resident of Kakaako and huge supporter of local craft beer and spirits I respectfully submit the following;

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- *Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- *DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- *Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

John H. Williams

HB-108-SD-1

Submitted on: 3/26/2025 6:08:07 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Aimee Donzis	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Aimee Donzis

HB-108-SD-1

Submitted on: 3/26/2025 6:15:19 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kirsten Udani	Individual	Support	Written Testimony Only

Comments:

I am writing in support of HB108 SD1 to expand DTC in the State of Hawaii to include beer and distilled spirits.

This bill Will allow small craft producers to reach new markets foster economic, diversification, and provide a critical supplement to the existing three tier system.

Hawaii needs to support the businesses that are supporting the economic growth of Hawaii and reducing/eliminate reliance on outside entities.

HB-108-SD-1

Submitted on: 3/26/2025 10:12:57 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Chris Jones	Individual	Support	Written Testimony Only

Comments:

I am writing in strong support of HB108 SD1 , which expands direct-to-consumer (DTC) shipping privileges in Hawaii to include beer and distilled spirits as well. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

HB-108-SD-1

Submitted on: 3/27/2025 3:14:36 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Yvette Miller	Individual	Support	Written Testimony Only

Comments:

Subject: In Strong Support of HB108

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

Economic Diversification and Revenue

By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.

Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

Support for Small Craft Producers

DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.

Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

Reducing Reliance on Tourism

DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.

This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.

Ensuring Responsible Shipping

The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.

Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.

Consumer Demand and Missed Opportunity

National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.

Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii’s small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Yvette N Miller

HB-108-SD-1

Submitted on: 3/27/2025 5:56:17 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Lance Chapman	Individual	Support	Written Testimony Only

Comments:

Subject: In Strong Support of HB108

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- o By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- o Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- o DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- o Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- o DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- o This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- o The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- o Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- o National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*

- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Lance Chapman

HB-108-SD-1

Submitted on: 3/27/2025 7:42:51 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Noelle Lindenmann	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Noelle Lindenmann, Kailua-Kona

HB-108-SD-1

Submitted on: 3/27/2025 7:49:40 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Mina K Craig	Individual	Comments	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,
Mina K Craig

HB-108-SD-1

Submitted on: 3/27/2025 7:59:20 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Brett Jacobson	Individual	Support	Written Testimony Only

Comments:

Aloha Members of the Committee,

The three-tier distribution system for alcohol in the United States began shortly after the repeal of Prohibition in 1933, with the goal of preventing any single entity from controlling the entire alcohol supply chain by separating producers, distributors, and retailers into distinct tiers, thus preventing monopolies and promoting fair market competition; essentially, it was designed to avoid the abuses that led to Prohibition in the first place.

Passing of HB108 will not conflict with the intent of the three-tier system unless the industry is worried that one of our small local alcohol manufactures is going to monopolize the entire industry in the USA. As we all know manufacturing is not affordable in Hawai‘i so the passing of this Bill will not go against the nature of the law as originally intended.

This bill will not only benefit the local producers in Hawai‘i but also the local residents as consumers. We live in a day in age where you can order everything online, door dash, or have your order ready for you at curbside pickup.

Why not allow Hawai‘i residents to also be allowed to order their favorite products from neighboring islands? Being that our state consists of many counties separated by the ocean, it’s even more important than other states to allow us to mail products amongst the state. I reside on Hawai‘i island and I’m a member of Ko Hana Rum from Oahu. I should be receiving my quarterly bottles through my membership but they are not allowed to ship to me. Instead they have been stockpiling all my bottles until I can fly to Oahu, pack up my shipment and fly back with it. I love Beer Lab, Inu Island Ales, Wailuku Distillery, but the only time I can get their products is when I visit. I would be purchasing more local options if they could ship the products to me instead of only when I visit those islands maybe once a year.

Please consider passing HB108, it will cause no harm and only bring more revenue to Hawai'i manufactures, leading to more tax dollars for the state and counties.

Sincerely,

Brett Jacobson

HB-108-SD-1

Submitted on: 3/27/2025 8:01:00 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Zachary Kloster	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. ***Economic Diversification and Revenue***
 - *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
 - *Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*
2. ***Support for Small Craft Producers***
 - *DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
 - *Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*
3. ***Reducing Reliance on Tourism***
 - *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
 - *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*
4. ***Ensuring Responsible Shipping***
 - *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
 - *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*
5. ***Consumer Demand and Missed Opportunity***
 - *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
 - *Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

After working in the craft brew industry for the past 10 years in Hawaii, I have seen first hand what a benefit this would be for the future of tourism and business in Hawaii.

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Zachary Kloster

HB-108-SD-1

Submitted on: 3/27/2025 8:08:19 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashley Gabrielle Gonsalves	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

Economic Diversification and Revenue

By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.

Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

Support for Small Craft Producers

DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.

Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

Reducing Reliance on Tourism

DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.

This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.

Ensuring Responsible Shipping

The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.

Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.

Consumer Demand and Missed Opportunity

National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.

Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii’s small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours, Ashley Gonsalves

HB-108-SD-1

Submitted on: 3/27/2025 8:15:52 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Catherine Bergbauer	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. ***Economic Diversification and Revenue***
 - *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
 - *Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*
2. ***Support for Small Craft Producers***
 - *DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
 - *Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*
3. ***Reducing Reliance on Tourism***
 - *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
 - *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*
4. ***Ensuring Responsible Shipping***
 - *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
 - *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*
5. ***Consumer Demand and Missed Opportunity***
 - *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
 - *Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

*Respectfully yours,
Catherine Bergbauer*

HB-108-SD-1

Submitted on: 3/27/2025 8:16:05 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Nichelle Ware	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

*Respectfully yours,
Nichelle Ware*

HB-108-SD-1

Submitted on: 3/27/2025 8:29:41 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Terry Wells	Individual	Support	Written Testimony Only

Comments:

I am in strong support of HB 108 as it not only supports small business in Hawaii but also supports what remains of agriculture in our State. Yes, alcohol is an agricultural product and current legislation is overly protective of the larger producers making successful competition very difficult.

HB-108-SD-1

Submitted on: 3/27/2025 9:08:49 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Johanna Breeland	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Johanna Breeland

HB-108-SD-1

Submitted on: 3/27/2025 9:13:19 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Tyson Yamada	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chairs, Vice Chairs, and Members of the Committees,

I respectfully submit the following written testimony in **opposition** to HB108.

Direct-to-consumer (DTC) shipping can undermine state regulatory oversight. The state may struggle to enforce regulations on out-of-state shipments, potentially leading to non-compliance with local laws.

There could be a heightened risk of minors obtaining alcohol through online orders. Studies have shown that age verification methods used by common carriers can fail, increasing the likelihood of underage access.

Direct shipments can result in significant tax losses for states. When alcohol is shipped directly to consumers, it can bypass traditional tax collection mechanisms, leading to uncollected excise and sales taxes.

Also, allowing direct shipments can disrupt the existing three-tier system, which is designed to prevent monopolies and ensure fair competition.

Based on the above, I respectfully oppose HB108. Thank you for your consideration.

Tyson Yamada

HB-108-SD-1

Submitted on: 3/27/2025 9:19:01 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Bryna Starling	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. ***Economic Diversification and Revenue***
 - *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
 - *Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*
2. ***Support for Small Craft Producers***
 - *DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
 - *Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*
3. ***Reducing Reliance on Tourism***
 - *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
 - *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*
4. ***Ensuring Responsible Shipping***
 - *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
 - *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*
5. ***Consumer Demand and Missed Opportunity***
 - *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
 - *Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Bryna Starling

HB-108-SD-1

Submitted on: 3/27/2025 9:22:59 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kyle Watai	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

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 - *By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
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 - *Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Kyle Watai

HB-108-SD-1

Submitted on: 3/27/2025 9:41:09 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kolton Schooley	Individual	Support	Written Testimony Only

Comments:

This would be great for the islands .

HB-108-SD-1

Submitted on: 3/27/2025 9:43:12 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Joanna L Anthony	Individual	Comments	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

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Consumer Demand and Missed Opportunity

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For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawai‘i’s small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai‘i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Joanna Brown

HB-108-SD-1

Submitted on: 3/27/2025 9:43:39 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kiana Mojica	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

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Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours

HB-108-SD-1

Submitted on: 3/27/2025 9:43:51 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kristen Kawano	Individual	Oppose	Written Testimony Only

Comments:

Oppose

HB-108-SD-1

Submitted on: 3/27/2025 9:43:59 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Kehau Brown	Individual	Support	Written Testimony Only

Comments:

Aloha

My name is Kehau Brown, and I have been working at Ola Brew Co. in Kailua-Kona since 2017. I am writing today in strong support of HB108, which would allow the direct shipment of beer and spirits in Hawai‘i.

Over the years, countless customers—both locals and visitors—have asked if we could ship our beer and seltzers to them. Unfortunately, due to current laws, we are unable to do so. This limitation not only restricts our ability to grow as a local business but also prevents us from sharing our Hawai‘i-made products with people who genuinely want to support us from afar.

Allowing direct shipment would provide a much-needed revenue stream for small breweries and distilleries across the state. The additional income could help companies like Ola Brew Co. reinvest in our business, create more jobs, and strengthen Hawai‘i’s local economy. As someone who grew up in Kailua-Kona, I know how important it is to keep money circulating within our community rather than seeing it leave the state through tourism dollars that often benefit mainland corporations.

HB108 would give small, locally owned businesses a fair chance to compete in an evolving market while making it easier for customers to support Hawai‘i-made products. I urge you to pass this bill to help strengthen our local economy and allow our craft beverage industry to thrive.

Mahalo for your time and consideration.

Kehau Brown

Kailua-Kona, Hawai‘i

HB-108-SD-1

Submitted on: 3/27/2025 9:46:03 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Daisy Starling	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

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- *DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- *This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- *The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- *Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- *National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*

- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Daisy Starling

HB-108-SD-1

Submitted on: 3/27/2025 9:53:11 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Alayna Kilkuskie	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am strongly in support of HB108.

There are many reasons to pass this bill, but most importantly I feel it will provide opportunities for local craft producers to expand and further contribute to our local economy, offering diversification beyond tourism.

Mahalo,

Alayna Kilkuskie

HB-108-SD-1

Submitted on: 3/27/2025 9:59:54 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Ehulani Kane	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

My name is Ehulani Hope Kane, and I am writing in very strong support of HB108. As a native Hawaiian woman, I am proud to see the growth, innovation, and creativity that has come from our value added producers here in Hawai'i, and this includes beers and spirits. I see our kanaka businesses struggling to compete, as we all know the price to produce here in Hawai'i is often times double anywhere else. But the value that the world sees in our Hawai'i products is immeasurable, and you, as lawmakers, have the ability to help our Hawai'i producers share their creations with the world by moving this bill through the senate for an opportunity to pass HB108 this law.

I am a proud community investor in Ola Brew, and I invested into them because they put 'āina first, and our lāhui first and I believe they have become an example of what it means to use business as a force for good. This is my first ever investment because I believe in them to do what is right for our Hawai'i. Not only have they sourced almost \$4,000,000 in fruits and botanicals from our Hawai'i farmers, but they are constantly putting our lāhui first, and showing that we can all rise together, practicing and supporting regenerative agriculture. They are also putting us back on the map with the Monarch era spirit, 'Ōkolehao, that our own King Kalakaua gave as makana to many royal families across the globe in the late 1800s. SO cool! Passing this bill will allow them, and other breweries and distilleries, to ship their products direct to consumer without the barrier and cost associated with "launching a product in a new region". While they would love to go the distributor route eventually with this spirit, test marketing the product in different regions first through direct to consumer makes more sense, before having to make that full commitment and investment.

As I understand, wine already has the opportunity to ship from right here in Hawai' direct to consumer, and therefore it is only right that beer and spirits are awarded the same freedom. I also understand that we would be the 12th state to pass a similar direct to consumer bill, and there are many other states this legislative session that are currently moving through this same process. It seems in our global market, all other industries have been able to take advantage of e-commerce and direct to consumer shipping, and with the right compliance and regulations, that have already been proven in other states, the time is now.

Please consider this testimony, in strong support of HB108. It's also my 70th birthday tomorrow, (March 28th) and it would be a great birthday present!

I look forward to hearing your decision, and mahalo nui for your time and consideration.

Me ke aloha pumehana,

Ehulani H Kane

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:00:35 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Marcos Starling	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai'i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai'i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our 'āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai'i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*

- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

*Grand Master Marcos Starling
COO of International Operations
World Taekwondo Organization*

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:03:21 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryder Kurashige	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai'i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai'i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our 'āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai'i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:08:02 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandon Wolfe	Individual	Support	Written Testimony Only

Comments:

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Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Brandon Wolfe

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:09:04 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Gina Ecube	Individual	Oppose	Written Testimony Only

Comments:

Loss of tax revenue

Market place disrution

Loss of oversight of underage drinking

Loss of jobs

Public safety

submitted by:

Gina Ecube

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:09:36 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
shannon lim	Individual	Oppose	Written Testimony Only

Comments:

Loss of tax revenue

Market place disruption

Loss of oversight of underage drinking

Loss of jobs

public safety

Shannon Lim

LATE

HB-108-SD-1

Submitted on: 3/27/2025 10:21:20 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Les Quisano	Individual	Oppose	Written Testimony Only

Comments:

- i. Loss of tax revenue
- ii. Market place disruption
- iii. Loss of oversight of underage drinking
- iv. Loss of jobs
- v. Public safety

HB-108-SD-1

Submitted on: 3/27/2025 11:00:27 AM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Dayne Tanaka	Individual	Oppose	Written Testimony Only

Comments:

Opposing this bill as it would negatively impact the alcohol distribution business and touch hundreds of jobs in Hawaii. Thank you

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:34:36 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Shelby Marron	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

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- DTC shipping allows visitors who have enjoyed Hawai'i-made products to continue purchasing them from home.
- This helps sustain local producers while reducing the strain of in-person tourism on our 'āina and infrastructure.

4 Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.
- Other states successfully ship beer and spirits using these protocols, and Hawai'i can adopt similar compliance measures.

5 Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.
- Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.

For these reasons, I respectfully urge you to pass HB108 SD1. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special. And just as wine, an alcoholic beverage, has been able to ship direct-to-consumer from

Hawai'i since 2007, we are asking for the same treatment for beer and spirits.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Shelby Marron

LATE

HB-108-SD-1

Submitted on: 3/27/2025 1:46:17 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Nikos Leverenz	Individual	Support	Written Testimony Only

Comments:

Chair Rhoads, Vice Chair Gabbard, and JDC Committee Members:

I am writing in strong support of HB 108, HD 2, SD 1, which would authorize direct to consumer (DTC) sales of distilled spirits and beer. While I am neither a teetotaler nor a regular user of alcohol in any form, expanding the ability of local distilleries and microbrewers to meet consumer needs can provide opportunities for economic growth that will directly benefit the communities where they have a physical presence.

Many of those opposed to this DTC expansion are the same economic actors who opposed DTC wine sales. Far from empowering monopolistic activity, [DTC premium wine sales have flattened to about 10% since 2020](#).

The consumption of alcohol results in a high level of preventable injury, illness, and death in Hawaii and across the U.S. Per the federal Centers for Disease Control and Prevention, [about 178,000 people die from excessive alcohol use each year, or about 488 deaths per day](#). Major causes of death include alcoholic liver disease, liver cirrhosis, and homicide.

Yet it was determined just under a century ago that national alcohol prohibition was a policy failure that precipitated heightened levels of harms to health, safety, and the integrity of government operations.

When the federal government decides to remove cannabis from the Controlled Substances Act, or when state policymakers decide to legalize the production and sale of cannabis and manufactured cannabis products, it is imperative to have a regulatory framework that empowers smaller-scale growers and businesses to provide unique strains of dried flower and products on a DTC basis. This is an economic sector that has seen movement toward cartelization and anti-competitive practices as matter of course.

Mahalo for the opportunity to provide testimony.

LATE

HB-108-SD-1

Submitted on: 3/27/2025 2:23:32 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Imani Gentry	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Rhoads, Vice Chair Gabbard and Members of the Committee,

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii's small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

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Mahalo for the opportunity to testify in support of this important legislation.

Respectfully yours,

Imani Gentry

LATE

HB-108-SD-1

Submitted on: 3/27/2025 3:53:00 PM

Testimony for JDC on 3/28/2025 10:02:00 AM

Submitted By	Organization	Testifier Position	Testify
Derek Pittman	Individual	Support	Written Testimony Only

Comments:

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Mahalo for the opportunity to testify in support of this important legislation.

Warmest regards,

Derek Pittman