

**Testimony in Support of H.B. 1372
Relating To Liquor Licenses**

Hearing Date: Friday, February 7, 2025

Time: 10:15 am

Place: Conference Room 423, State Capitol, 415 South Beretania Street

Committee On Economic Development & Technology

Chair Ilagan, Vice Chair Hussey, and Members of the Committee:

I am writing in **support** of H.B. 1372, which increases the production limits for small craft producer pubs in Hawaii. This much-needed change will provide local craft beverage makers with greater flexibility to meet demand, grow their businesses, and continue contributing to our state's economy.

Hawaii's craft producers play a vital role in our communities, creating jobs, supporting local agriculture, and enhancing tourism. However, current production caps limit their ability to expand and remain competitive. By raising these limits, this bill allows small craft breweries, wineries, and distilleries to scale responsibly while maintaining the high quality and authenticity that define Hawaii-made beverages.

This legislation supports local entrepreneurship, strengthens our economy, and ensures that craft producers can thrive without being forced to relocate or limit their success. I urge you to pass this bill and help sustain the growth of Hawaii's craft beverage industry.

Mahalo for your time and consideration.

Sincerely,

Justin Guerber

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

HB-1372

Submitted on: 2/6/2025 8:05:15 AM

Testimony for ECD on 2/7/2025 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathleen Conant	NAPALI BREWING COMPANY	Support	Written Testimony Only

Comments:

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

I am writing on behalf of a local, family owned craft brewery on Kaua'i, Napali Brewing Company, to strongly support HB1372 because it's time to stop putting unnecessary limits on local beverage makers. This bill is a no-brainer, it helps local businesses grow, creates jobs, and boosts Hawai'i's economy.

Right now, our local brewers, distillers, and winemakers are stuck with outdated production limits that make no sense. Why should we cap how much a local business can make? The more they produce, the more jobs they create, the more local ingredients they buy, and the more taxes they pay. Keeping these limits only holds back small businesses while doing nothing to help the state.

The Class 18 license was designed to help local producers make beer, wine, and spirits, but the current limits are working against that goal. We've already removed similar restrictions for beer in the past, "why are we still holding back other local producers? Other states don't put these kinds of restrictions on small businesses, and they're thriving because of it.

Bottom line, this bill helps Hawai'i businesses compete, grow, and keep more money in the local economy. I urge you to pass HB1372 and let our local beverage industry do what it does best: create great products, provide good jobs, and support our communities.

Sincerely,

Kati Conant

Owner

Napali Brewing Company



February 5, 2025

COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Rep. Greggor Ilagan, Chair

Rep. Ikaika Hussey, Vice Chair

Re: Testimony in Strong Support w/Amendments of HB1372: Increase barrelage limits on Class 18

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

My name is Garrett W. Marrero, and I live in Kīhei, Hawai‘i. I am the CEO and Founder of Maui Brewing Co., operating locations in Lahaina, Kā‘anapali, and Kīhei on Maui, as well as Waikīkī and Kailua on O‘ahu. We proudly distribute our beverages across Hawai‘i, 26 states, and two countries. Since our founding in 2005, we have grown from just 26 team members to over 500 statewide.

Last week, we celebrated 20 years in business—a milestone that reflects our ongoing commitment to growing a vibrant, sustainable beverage industry in Hawai‘i. Over the years, I have worked extensively with the legislature to craft fair, reasonable, and common-sense policies that support this industry’s growth. I strongly support HB1372 and urge its passage on behalf of our industry.

While I support the proposed production increases, I firmly believe that production limits should be removed entirely. There is simply no reason to restrict how much a local manufacturer can produce. A closer look at the Class 18 license helps explain why. This license, signed into law in 2013, allows a properly licensed beverage alcohol producer to manufacture beer, wine, and spirits—as long as they also hold the corresponding federal permits. The Class 18 license has been instrumental in expanding and creating local producers across Hawai‘i.

It’s worth noting that similar restrictions were once placed on Class 14 beer licenses but were ultimately removed because they served no practical purpose. The same logic should apply here. Removing arbitrary limits will allow local producers to expand, support local agriculture, create more jobs, and contribute more to our economy.

As the outgoing Chair of the Brewers Association Board of Directors, I can speak to what we see nationwide: states that impose fewer restrictions on production see greater economic benefits. The more local producers can make, the more ingredients they source from local farms, the more people they employ, and the more tax revenue they generate for the state.

Frankly, as I write this testimony, I keep asking myself: “Why does a limit exist on how much beer a local brewer can brew?” In all my years advocating for this industry, I’ve never received a satisfactory answer. The only response I’ve ever heard is: “That’s just the way it’s always been.” That is not a valid reason to restrict economic growth and opportunity.

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When I first started advocating for Hawai'i's craft beer industry in 2005, there were just six breweries in the state—two of which soon failed. But as we successfully modernized outdated laws—allowing for growlers, adjusting barrelage limits, expanding licensing options—breweries began to flourish. Today, Hawai'i boasts more than 40 small and local producers, with more in planning. Together, we've put Hawai'i on the craft beer map and built a thriving beer tourism sector that further strengthens our local economy.

For these reasons, I strongly support HB1372 as a reasonable and necessary step to recalibrate outdated production limits and ensure our industry continues to grow and contribute to Hawai'i's economy.

Mahalo for your time and consideration!

Sincerely,

A handwritten signature in black ink, appearing to read 'Garrett W. Marrero', with a long, sweeping horizontal stroke extending to the right.

Garrett W. Marrero
CEO/Founder