## LIQUOR COMMISSION CITY AND COUNTY OF HONOLULU

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February 2, 2015

Representative Derek S.K. Kawakami, Chair Representative Sam Satoru Kong, Vice Chair Committee on Economic Development & Business

Hearing: Tuesday, February 3, 2015 9:00 a.m.; Room 312

KIRK CALDWELL

Position: Providing Comments on HB 217, Relating to Intoxicating Liquor

Dear Chair Kawakami, Vice Chair Kong, and Members:

The Liquor Commission, City and County of Honolulu (Commission), provides comments on House Bill 217, Relating to Intoxicating Liquor.

The proposed measure would amend Section 281-31(c), Hawaii Revised Statutes, to permit Class 2 Restaurant licensees "... to sell malt beverages *manufactured on the licensee's premises* to consumers in brewery-sealed kegs and growlers for off-premises consumption ..." (emphasis supplied). As the Class 2 Restaurant license permitted activities *do not include manufacturing*, the ability to sell *self-manufactured* malt beverage products could not be used. If the italicized phrase is revised to conform the proposed activity with the Class 2 Restaurant license's permitted activities, we note that malt beverage products for resale by a Class 2 Restaurant licensee must be obtained from a Class 1 Manufacturer, a Class 3 Wholesale Dealer, a Class 14 Brewpub, or a Class 18 Small Craft Producer Pub.

The Liquor Commission appreciates the opportunity to provide comments on House Bill 217, Relating to Intoxicating Liquor.

Respectfully submitted,

GUMACHIA FRANKLIN DON PACARRO, JR. Administrator

FDP:ACH

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TO: COMMITTEE ON ECONOMIC DEVELOPMENT AND BUSINESS Representative Derek S. K. Kawakami, Chair Representative Sam Satoru Kong, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: Tuesday February 3, 2015 TIME: 9am PLACE: Conference Room 312

RE: HB217

**Position: Comments** 

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

HFIA strongly supports the intent of this measure. In order to maximize the positive impact of this measure we would ask that the language from this measure be replaced with the language from HB770. As with the current version of this measure, the language we are requesting would allow restaurants and brewpubs to sell certain beverages for off-premises consumption under certain circumstances. In addition to which, the language we are requesting would also allow retail dealers to sell certain beverages in growlers.

Growlers are far more eco-friendly than other container options because they can be used over and over again. Allowing the use of growlers by retail dealers is an important step in decreasing the use of glass in Hawaii, and by extension decreasing the expense of recycling glass. The recent audit of the Glass Advance Disposal Fee has made it very apparent that continuing to handle the disposal of glass in the way we have been is not an option, one simple solution to help unburden this program is to reduce the amount of glass we use. Modifying this bill to include the language form HB770 that allows retail dealers to sell certain beverages in growlers is an important, and easy, step in the right direction.

Thank you for the opportunity to testify.

## Hawaii Liquor Wholesalers Association 222 South Vineyard Street, Suite 401 Honolulu, HI 96813-2453 (808) 531-4551

January 30, 2015

House Committee on Economic Development & Business Representative Derek S. K. Kawakami, Chair Representative Sam Satoru Kong, Vice Chair Hawaii State Capitol Honolulu, HI 96813

Re: HB 217 Relating to Liquor

Dear Chair Kawakami, Vice Chair Kong, and Committee Members:

The Hawaii Liquor Wholesalers Association ("HLWA"), respectfully submits the following written testimony in opposition to HB 217 relating to intoxicating liquor, which is to be heard by your Committee on February 3, 2015.

This bill would permit restaurants to sell malt beverages manufactured on the licensee's premises for off premises consumption provided the liquor is sold in a sealed or covered container not exceeding one half gallon. Restaurant licensees do not have the authority to manufacture liquor or to sell liquor for off premises consumption. Due consideration must first be given to whether changes in the existing law to permit the manufacturing of liquor on restaurant premises or sale for off-premises consumption are warranted. The liquor laws and rules of each Liquor Commission must be adhered to before any consideration should be given to allow manufacture or sale of liquor by restaurants in this fashion.

For the foregoing reasons, we respectively oppose HB 217. Thank you for your consideration of the foregoing.

Very truly yours,

HAWAII LIQUOR WHOLESALERS ASSOCIATION

Warren A. Shon