

Honolulu, Hawaii

February 6, 2018

RE: H.B. No. 2411 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Twenty-Ninth State Legislature Regular Session of 2018 State of Hawaii

## Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2411 entitled:

"A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR,"

begs leave to report as follows:

The purpose of this measure is to stimulate and diversify Hawaii's economy by:

- (1) Clarifying that brewpub and small craft producer pub licensees may conduct liquor sales at multiple, appropriately licensed premises;
- (2) Specifying that brewpubs and small craft producer pubs may sell malt beverages in growlers that may be recyclable containers of up to one gallon; and
- (3) Permitting direct shipping of malt beverages and spirits under the same conditions as are currently permitted for direct shipment of wine.

Honolulu Beerworks, Maui Brewing Company, Kohola Brewery, Big Island Brewhaus, Waikiki Brewing Company, Hawaiian Craft Brewers Guild, Kauai Beer Company, Kauai Island Brewing Company, REAL a gastropub, Bent Tail Brewing Company, Lanikai Brewing Company, and a concerned individual testified in support of this bill. The Liquor Commission of the City and County of Honolulu and Department of Liquor Control of the County of Kauai provided comments.

Your Committee notes that concerns were raised by the Liquor Commission of the City and County of Honolulu regarding proper licensing of certain liquor establishments and the impacts this measure may have on the licensing process. However, your Committee also understands that the proponents of this measure have been working with the Liquor Commission to develop language to address these concerns. As licensing requirements would fall under the purview of the Committee on Consumer Protection and Commerce, your Committee has requested the relevant parties to continue crafting compromise language acceptable to both parties to present to the Committee on Consumer Protection and Commerce so that further discussion can continue on this matter.

Your Committee has amended this measure by:

- Changing its effective date to July 1, 2112, to (1) facilitate further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2411, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2411, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

> Respectfully submitted on behalf of the members of the Committee on Economic Development & Business,

## State of Hawaii House of Representatives

The Twenty-ninth Legislature

78-18

## Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.:  HB 2411 Committee Referral:  EPB, CPC, FIN 2/2/18				
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. EVANS, Cindy (C)				
2. KEOHOKALOLE, Jarrett (VC)				
3. HOLT, Daniel			To a new managements	
4 ICHIYAMA Lindo				
4. ICHIYAMA, Linda				
5. JOHANSON, Aaron Ling				
John Gory, Taron Eng				
6. YAMASHITA, Kyle T.		508 - 225 1765 - 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		
7. MATSUMOTO, Lauren Kealohilani			inimization designates (* 18. de la communicación de la communicac	
			·	
				-
			·	
TOTAL (7)	7			
The recommendation is:  Adopted  If joint referral,  committee acronym(s)  Adopted  did not support recommendation.				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				