LIQUOR COMMISSION CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL MAYOR



February 21, 2019

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The Honorable Chris Lee, Chair
The Honorable Joy A. San Buenaventura, Vice Chair
and Members of the Committee on Judiciary

House of Representatives State Capitol, Room 325 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

SUBJECT: House Bill No. 1172 HD1
Relating to Liquor Laws

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony providing **comments** on the above-referenced measure. As a matter of principle, the Commission fully supports legislation that enables licensees to more efficiently operate their businesses but also gives reasonable oversight to regulators in addressing the changing nature of the liquor industry.

The Commission does not believe the proposed elimination of the tap handle requirement in this measure will negatively impact consumer confidence or safety in the draught beer they purchase. The Commission's licensees have found creative and accessible ways of providing product selection information to their customers, and the incidence of customer complaints about being served a draught product they did not buy has been virtually zero in the past 20+ years.

As the Commission repealed its stacking rule in 2017, the proposed definitional requirement in Section 3 of the proposed measure will have no impact on our licensees.

Thank you for the opportunity to testify.

Sincerely,

Franklin Don Pacarro, Jr.

Administrator



Mothers Against Drunk Driving HAWAII
745 Fort Street, Suite 303
Honolulu, HI 96813
Phone (808) 532-6232
Fax (808) 532-6004
hi.state@madd.org

February 22, 2019

To: Representative Chris Lee, Chair, House Committee on Judiciary;

Representative Joy A. San Buenaventura, Vice Chair; and members of

the Committee

From: Carol McNamee and Arkie Koehl, Public Policy Committee - MADD

Hawaii

Re: House Bill 1172, HD1 – Relating to Liquor Laws

I am Carol McNamee, offering comments on behalf of MADD Hawaii (Mothers Against Drunk Driving) regarding House Bill 1172, HD1, Relating to Liquor Laws.

This bill addresses the definition of stacking of beer and the definition of a standard serving size of beer. In this draft the suggested definition of standard serving size has been reduced to 32 ounces from the originally proposed 40 ounces.

MADD Hawaii questions the basic need for "stacking" of any alcoholic drinks, including beer. The practice would seem to make it possible for the drinker to have no lapse in his or her consumption of alcohol during the time they are in an establishment. Especially considering the community's current interest in having stronger laws to prevent impaired driving, it would seem reasonable to end the practice of stacking all together.

If, for some reason doing away with stacking is not acceptable to the committee, MADD supports the suggestions presented by Ms. Kari Benes testifying for SHSP – the State Highway Safety Plan.

Thank you for the opportunity to present comments on HB 1172, HD1.



Subject: Comments for HB1172 HD1

Dear Chair Lee, Vice Chair San Buenaventura, and members of the House Committee on Judiciary,

My name is Kari Benes and I am the Chair of the Hawaii Strategic Highway Safety Plan (SHSP), providing comments on HB1172 HD1.

We commend the legislature for attempting to standardize counties when it comes to servings of drinks in relation to volume and quantity of drinks. It is important to address that alcohol content as well as the consumers weight and even sex has a large determinant of how intoxicated and individual could become after consuming alcohol.

Please consider the following example using the HD1 amendment limiting to 32 ounces in determining how much alcohol should allowed in one serving:

Ounces	% of Alcohol	Weight	Hours Spent Drinking	BAC	Results
32	5%	150 Lbs.	1 hour	0.065	Your driving ability is becoming impaired.
32	5%	250 Lbs.	1 hour	0.033	Your driving ability is becoming impaired.
32	7%	150 Lbs.	1 hour	0.097	You would be considered legally intoxicated in all or most states and would be subject to criminal penalties.
32	7%	250 Lbs.	1 hour	0.052	Your driving ability is becoming impaired. ¹

Our concern is that FARS data reveals Hawaii as being above the national average for alcoholimpaired driving fatalities for the entire decade. We currently rank the 5th worst in the nation for

¹ Please note that the table is an estimate for average healthy males. Older males >~55 yrs. and females would have a proportionate higher blood alcohol outcome. Source: http://www.clevelandclinic.org/health/interactive/alcohol_calculator.asp

the percentage of alcohol-impaired driving fatalities.² Permitting up to 32 ounces of beer during the last hour of operation at an establishment would put most consumers at greater risk of crash and or an impaired driving arrest.

Unless an establishment is willing to take drastic measures to ensure an individual will be taking a safe and sober ride home, please consider reducing the single serving volume.

Recommended Amendments:

SECTION 3. Section 281-78.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

- "(b) The liquor commission shall adopt rules pursuant to chapter 91 to prohibit specific liquor promotion practices which promote excessive consumption of liquor[-]: provided that any rules adopted by the counties related to the stacking of liquor shall specify that:
 - (1) Stacking of beer shall be defined based on a standard serving size of total volume; and
- (2) A standard serving size of beer at **ABV of up to 5%** shall be defined as not exceeding a total **volume of 16** ounces before a customer at any one time.
- (3) A standard serving size of beer at ABV of greater than 5% shall be defined as not exceeding a total volume of 12 ounces before a customer at any one time."

We appreciate the legislatures effort in trying to address over consumption but standardizing drink volumes.

The Hawaii Strategic Highway Safety Plan's vision is that all of Hawaii's road users arrive safely at their destinations. You can help us achieve our goal of reducing yearly fatalities, by supporting this measure.

To view the Strategic Highway Safety Plan, go to www.hawaiishsp.com

Strategic Highway Safety Plan Mission

Save lives and reduce injuries on Hawaii's roadways through strategic partnerships and implementation of the Strategic Highway Safety Plan.

² https://crashstats.nhtsa.dot.gov/Api/Public/ViewPublication/812630



Cindy Goldstein Executive Director Hawaiian Craft Brewers Guild 98-814 C Kaonohi Street Aiea, HI 96701

> HB1172 H.D. 1 Relating to Liquor Laws: Tap handle labels and Stacking House Committee on Judiciary Friday February 22nd at 2:05 p.m in Conference Room 325

Position: **Support**

Chair Representative Chris Lee, Vice Chair Representative San Buenaventura, and members of the House Committee on Judiciary.

The Hawaiian Craft Brewers Guild is a nonprofit trade organization representing the interests of small craft breweries across the State of Hawaii. Our members are independent craft breweries producing 100% of their beer in Hawaii and represent the majority of craft beer producers in the state. Our members are united in our pursuit to promote economic activity for Hawaii's beer manufacturers and enhance opportunities in our communities.

The Hawaiian Craft Brewers Guild and our member breweries embrace the responsible consumption of alcohol.

The Hawaiian Craft Brewers Guild supports HB1172 H.D.1 revising HRS 281 -78 (b)(7) related to tap handles. The requirement for tap handle labeling is meant to easily allow the consumer to see and identify which beer is poured. We support HB1172 H.D.1 because it allows beer taps to be identified through other means and is less burdensome for business owners of brewpubs, taprooms, and other establishments that serve craft beer.

Small craft breweries and taprooms commonly provide information about the beer they are pouring using new technology of display screens and old technology with blackboards. Display screens and boards are placed in close proximity to tap faucets and spigots, visible at the distances called for in current rules for tap handles.

Use of blackboards, video display screens, and other keys allow the brewpub, tap room or other businesses serving craft beer to keep their list of what is on tap current. Changes and updates can be made easily and rapidly to show what is on each tap.

Our Hawaiian Craft Brewers Guild member breweries share additional details with consumers about each beer using boards, screens and beer menus. Consumers are provided with detailed information that allows them to make better choices including percent alcohol in each beer, special ingredients, and style of beer. The extent of information that is provided goes well beyond the name of the brand adopted by the beer manufacturer, which is called for in the requirement for labeling of a tap handle.

Customers are often seated in a section of an establishment where they are unable to see the area where beer is being poured. Placing a label on a tap faucet or spigot does not provide a customer with additional knowledge that the beer they ordered is the one they received if they are not within view of the properly labeled tap handle.

Hawaii's small craft beer producers offer seasonal brews that are on tap for a few weeks of the year and many will make one-time unique specialty brews. Hawaii's small craft breweries, tap rooms and brewpubs often have a more rapid rotation of their products on tap compared with large national brands that rarely change what is offered. Beer manufacturers provide the brand name on the tap handle and typically include the name of the beer. More rapid rotation combined with one-time and specialty offerings makes it very difficult to have unique handles for each beer that is made. As a matter of practicality, the name of the brewery brand and the name of the craft brew are often longer than what can easily be printed on a tap handle.

We support the change to statute proposed in HB1172 H.D.1 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 H.D.1 would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

Stacking rules

The Hawaiian Craft Brewers Guild fully embraces the responsible serving of alcohol. We support basing the maximum amount of alcohol that can be served on a total volume of 32 ounces rather than number of glasses served at one time. HB1172 H.D.1 calls for a limit to the total volume of beer that can be served rather than the number of glasses that can be served, which allows us to continue to be mindful of not over serving alcohol.

Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. Our member breweries serve flight sized glasses that are typically 4 to 6 ounces per glass. Serving flights of smaller volume provides an opportunity for brewery businesses to expand their offerings for customers with new releases, specialty and seasonal beer choices. Visitors often want to sample a variety of craft brews offered, especially unique beer styles with Hawaii grown ingredients.

We support defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time rather than by number of glasses.

We urge the House Judiciary Committee to pass this bill. Mahalo for considering our Hawaiian Craft Brewers Guild testimony in support of HB1172 H.D.1.



February 20,2019

HB1172 H.D. 1 Relating to Liquor Laws: Tap handle labels and Stacking
House Committee on Judiciary
Friday February 22nd at 2:05 p.m in Conference Room 325

Position: Support

Chair Representative Chris Lee, Vice Chair Representative San Buenaventura, and members of the House Judiciary Committee

The Hawaiian Craft Brewers Guild is a craft brewing trade organization that seeks to promote production of craft beer in Hawaii as independent craft breweries. We are united in our pursuit to promote economic activity for Hawaii's beer manufacturers and enhance opportunities in our communities. Our members represent the majority of craft beer producers in Hawaii, with members producing 100% of their beer in Hawaii.

Tap Handles

Our brewpub provides information to our customers about the beer we have on tap using blackboard and beer menu. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of the black board allows us to change out beers quickly. This legislation allows brewpubs and taprooms to keep their list current to show what is on each tap in a manner that is visible to customers.

As a matter of practicality, the names for some of our craft brews are longer than what can be easily printed on a tap handle. We brew seasonal and sometimes one-time specialty craft beer, making it very costly to design and acquire unique tap handles for each beer that we make. For small craft breweries like ours, we have a more rapid rotation compared with establishments that keep the same beer selection on tap. Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery.

We support the change to statute proposed in HB1172 H.D. 1 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 H.D. 1

Honolulu Beerworks 328 Cooke St, Honolulu HI. 938 I 3 808-589-2337 would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking

Honolulu Beerworks embrace the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. HB1172 H.D. 1 calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler flight sized glasses that are typically ounces per glass.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support HB1172 H.D. 1 defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

Mahalo for your consideration. We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of HB1172 H.D. 1.

Sincerely,

Geoffrey Seideman Owner/Brewer



February 21, 2019

House Committee on Judiciary
HB 1172 Relating to Liquor Laws: Taphandles and Stacking
Friday February 22nd at 2:05pm in Conference Room 325

Re: IN SUPPORT OF HB1172 HD1

Aloha Chair Representative Chris Lee, Vice Chair Representative San Buenaventura, and members of the House Judiciary Committee,

My name is Garrett W. Marrero, I live in Kula, HI. We have locations on Maui in Lahaina and Kihei, and on Oahu in Waikiki and Kailua. We distribute across the Hawaii, 23 States, and 13 countries. We began in 2005 with 26 team members and have added more than 500 to our team. My wife and I were selected as the National Small Business Persons of the year in 2017 for our work at Maui Brewing Co. I'm writing on behalf of myself and our local family-operated business in support of **HB1172 HD1** which modernizes two critical points in current liquor laws; namely Taphandles and "Stacking". The rules are both archaic and over-reaching and need to be brought into line with commonly accepted practices across the United States.

Tap Handles

Maui Brewing locations each have their own identity and the layout and design restrictions dictate different methods to mark taps with the brand name. We either have printed menus listing all beer styles available, or blackboards corresponding to a faucet number and or individually taphandles. Keep in mind that since we brew our own beer, in most of our locations the ONLY beer you can buy is Maui Brewing Co. beer. Therefore, the requirement to physically attached a marker indicating the "brand" of beer would be irrelevant. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. We have also been reviewing new technology such as video display boards which would allow us to easily change and frequently update our menu.

Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery. There are substantial costs to order taphandles, our last order was more than \$40,000, this is an enormous strain on resources for an item that often goes missing or is damaged in use. Additionally, more and more on-premise accounts are declining to use taphandles in favor of small generic or artful handles and/or video boards such as untapped or taphunter due to the constant rotation of various beers being served.

I would like to also point out that other beverages such as wine and cider that are now commonly served on draft are not required to have taphandles. Beer is the only beverage alcohol subjected to this requirement by Hawaii rules.

"Stacking"

Having been cited for "practice to promote excessive consumption" due to this rule I have some interesting perspective. On Maui we are limited to 32oz of beer, or 2 standard servings of alcohol. For the record we believe the standard measure of beer to be 16oz as that is the size of the standard American pint glass. We were cited for promoting excessive consumption because we served four 4oz glasses, a total of 16oz. Due to the fact that there were 4 glasses this is viewed as "excessive consumption" however had we served 2 glasses with 32oz of beer that would be acceptable. So just to be clear twice the amount of beer is okay but HALF that amount in taster glasses is a practice to promote overdrinking. The math just doesn't add up.

I would like to point out that we have been serving samplers for 14 years on Maui and prior administrations including some in the current office have all been well aware of this.

HB1172 HD1 calls for a limit to the total volume that can be served but not limiting the number of glasses. This is more in line with current market needs and commonly accepted practices across the country.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler sized glasses that are four 4 ounces per glass; our standard beer flight contains 4 glasses or a total of 16oz.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer as well as select a beer to purchase in a growler or crowler to take home and enjoy safely. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support **HB1172 HD1** defining stacking of beer based on a total volume of 32 ounces in front of a customer at any one time.

Thank you for the opportunity to offer these comments in support of the passage of **HB1172 HD1**.

Sincerely,

Garrett W. Marrero CEO/Founder



February 21, 2019

HB1172 H.D. 1 Relating to Liquor Laws: Tap handle labels and Stacking
House Committee on Judiciary
Friday February 22nd at 2:05 p.m in Conference Room 325

Position: Support

Chair Representative Chris Lee, Vice Chair Representative San Buenaventura, and members of the House Judiciary Committee

Tap Handles

Our brew pub provides information to our customers about the beer we have on tap using blackboard but considering switching to a video screen/Television. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of new technology such as video display boards allows us to easily change and frequently update our menu. This legislation allows brewpubs and taprooms to keep their list current to show what is on each tap in a manner that is visible to customers.

As a matter of practicality, the names for some of our craft brews are longer than what can be easily printed on a tap handle. We brew seasonal and sometimes one-time specialty craft beer, making it very costly to design and acquire unique tap handles for each beer that we make. For small craft breweries like ours, we have a more rapid rotation compared with establishments that keep the same beer selection on tap. Current tap handle rules are burdensome for businesses like ours that serve beer from our smaller independent craft brewery.

We support the change to statute proposed in HB1172 H.D. 1 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 H.D. 1 would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking

Kauai Island Brewing Company embrace the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. HB1172 H.D. 1 calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler flight sized glasses that are typically 4 to 6 ounces per glass.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support HB1172 H.D. 1 defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

Mahalo for your consideration. We urge you to pass this bill.

Sincerely,

Bret Larson

Owner, President, Kauai Island Brewing Company, LLC.

808-755-5926

bret@kauaiislandbrewing.com



WAIKIKI BREWING COMPANY

Joe P. Lorenzen, Partner/Brewmaster 831 Queen St. Honolulu, HI 96813 808-591-0387 brewmaster@waikikibrewing.com

HB1172 H.D. 1 Relating to Liquor Laws: Tap handle labels and Stacking
House Committee on Judiciary
Friday February 22nd at 2:05 p.m in Conference Room 325

Position: Support

Chair Representative Chris Lee, Vice Chair Representative San Buenaventura, and members of the House Judiciary Committee

My name is Joe Lorenzen. I live in Honolulu, on the island of Oahu, and I am a partner in and Brewmaster of Waikiki Brewing Company with business locations in Waikiki and in Kaka'ako. Our brewery began with 15 employees in 2015, and now employs a staff of 45.

Waikiki Brewing Company supports HB 1172 HD1. This bill serves to clarify some important points in our current statues pertaining to tap handle labelling and stacking (serving of multiple alcoholic beverages).

The current law requires us to have individual tap handles showing the brand of each beer we serve such that they can be seen from 10 feet away. It seems that this is in order to allow consumers to be clear on what beverage they are being served. In modern taprooms, there are many options other than tap handles to communicate the choice of beverage to the guest. TVs and monitors that present information on brands sold, printed menus, etc. all can convey this information. As a brewer, we often change our offering quite regularly and to have individual tap handles for every brand is not practical.

This bill also addresses stacking. We always encourage responsible drinking and feel that this bill would serve to further encourage responsible drinking by defining what a serving is. For instance, guests in our brewery often purchase small sample size pours of our beers. Depending on how stacking is defined, two of these 4 oz beers can be considered in the same way as two pint glasses of strong liquor drinks. This bill proposes to define the total volume of beer that can be served to a guest at one time, and continues to help promote responsible drinking.

Thank you for the opportunity to testify in support of HB 1172 HD 1.

Sincerely,

Joe P. Lorenzen



506 Keawe Street Honolulu, Hawaii, 96813

T 808-200-2739 troy@realgastropub.com

realgastropub.com

HB1172 H.D.1 Relating to Liquor Laws: Tap handle labels and Stacking
House Committee on Judiciary
Friday February 22nd at 2:05 p.m in Conference Room 325

Position: Support

Chair Representative Chris Lee, Vice Chair Representative San Buenaventura, and members of the House Judiciary Committee,

Craft beer production has been steadily increasing and along with that, greater demand for serving craft beer by REAL gastropub / Bent Tail Brewing Company. Policies related to how beer is served to our customers has a great deal of impact on us and we would like to share our viewpoint on bill **HB1172 H.D.1.**

Tap Handles

Our establishment provides information to our customers about the beer we have on tap using various methods such as blackboards, video display screen, beer menu, and online app. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of new technology such as video display boards allows us to easily change and frequently update our menu. This legislation allows our business to keep our list of beer offerings current to show what is on each tap in a manner that is visible to customers.

The intent of making sure the beer that is ordered is the beer that is poured is not ensured by having a tap handle indicating the beer offered on tap. The keg that is connected to the tap is not visible to consumers.

As a matter of practicality, the names for some of the craft brews we serve on tap are longer than what can be easily printed on a tap handle. We serve seasonal and sometimes one-time specialty craft beer. Brewery businesses tell us that it is very costly to design and acquire unique tap handles for each beer they produce.

Current tap handle rules are burdensome for businesses like ours that serve beer from smaller independent craft breweries. We have a more rapid rotation with craft beer that we have on tap compared with establishments that keep the same beer selections on tap.

We support the change to statute proposed in **HB1172 H.D.1** by removing the requirement for labeling of tap handles placed on spigots and faucets. **HB1172 H.D.1** would not require the use of tap handles, and at the same time, does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking related to serving beer

REAL gastropub / Bent Tail Brewing Company has always embraced the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. **HB1172 H.D.1** calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries produce several styles that often vary. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of smaller sized tastings of different kinds of beer.

We like to have the flexibility to be able to serve sampler flight sized glasses that are typically 4 to 6 ounces per glass. Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support **HB1172 H.D.1** defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

Mahalo for your consideration. We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of **HB1172 H.D.1**.

Sincerely,

Troy Terorotua

Troy Terorotua
Founder & Owner
REAL gastropub / Bent Tail Brewing Co
605 Keawe Street
Honolulu, HI, 96813
troy@realgastropub.com
Cell# 808-741-7373



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



2/18/19

RE: HB 1172 HD1 laws for Tap handles and Stacking.

Aloha Chair, Vice Chair and Committee members,

Lanikai Brewing Company is a locally owned and operated Craft Brewery here on Oahu in Kailua and we are <u>in support of HB 1172 HD1</u>

My name is Steve Haumschild and I live in Kailua, HI. Only about 5% of the beer consumed in Hawaii is locally made. The local craft beer industry is experiencing historical growth despite all of the economic factors we face. Our cost of production are high, taxes are some of the highest in the country, shipping costs for our geographical isolation, are some of those factors making it about 40-50% more expensive to produce in Hawaii verses elsewhere.

The current laws for Tap Handles are antiquated and are not up to date with digital technology where we can provide significantly more information to our consumers compared to Tap Handles. Consumers that are anywhere in our facility can view a digital display board or view it from their phone if needed and gain significantly more information than a tap handle. Tap Handles do not create a modern look or feel, nor do they guarantee what is coming out of the tap. Since draft can be served all over the restaurant and not just at a bar, tap handles do not provide equal information to all consumers that digital display can.

Stacking laws are all over the place between the islands and our goals are to create consistency in stacking. By changing it to a maximum amount of ounces per customer, they can engage in sampling of multiple products in smaller amounts.

Lanikai Brewing Company is an Island Inspired® authentic Hawaiian craft beer company making 100% of our brews here in Hawaii. We take our cues from premium, local, rare, and exotic ingredients grown by local farmers and foraged across the Pacific to bring you bold and flavorful beers that you will find nowhere else utilizing Hawaiian terroir. **Please note that variances in growing season conditions can impact batch-to-batch flavor and aroma profiles.

'Ōkole Maluna,

Steven R Haumschild

Steve Haumschild, MBA CEO & Brewmaster Certified Cicerone® Lanikai Brewing Company, Island Inspired™ Craft Beer



Richard Collins Chair Hawai'i Alcohol Policy Alliance Kula, HI (808)728-4656

HB1172 HD1

Relating to Liquor Laws; Liquor Laws; Beer; Tap Handle Requirement; Beer Servings; Stacking

House Judiciary Committee 02/22/19 at 2:05pm in House Conference Room 325

Chair Chris Lee, Vice Chair Joy San Buenaventura, and members of the House Judiciary

Committee

Position: Oppose

The Hawai'i Alcohol Policy Alliance (Alliance) is a volunteer-based organization of private citizens made up of members from all four counties within the State. Our mission is to advocate for research-based responsible alcohol policies that are in the best interest of the people of Hawai'i, and that reduce alcohol-related harms in our communities. Our vision is a Hawai'i free of alcohol-related injuries, disease, and death.

The Alliance is opposed to the current proposed total beer volume of 32oz per serving in HB1172 HD1. We recommend that the total volume of beer per serving be reduced to 24 ounces. This will allow the local breweries to sell sample beer flights (the goal of the bill), while also reducing the incidences of binge drinking and drunk driving.

The following points are our reasons for opposing the 32oz total beer volume:

1. All Local Breweries Serve Sample Beer Flights of Less Than 20oz of Total Beer Volume.

The Hawaii Alcohol Policy Alliance recently surveyed local breweries across the state on the total amount of beer served in their sample beer flights. All of the breweries surveyed



serve less than 20oz of total beer in each sampler. We strongly encourage you to revise the total beer volume to 24oz. This would reflect a much truer picture of the total amount of beer for sampler flights, while still allowing local breweries to serve sampler flights of beer.

2. 32oz Beer Servings Will Increase the Likelihood of Binge Drinking and Drunk Driving Rates

Most local breweries serve beer in 16oz pint glasses. 32oz of beer allows all patrons to drink two beers at one time. Not only does this encourage binge drinking, but patrons also lose track of the number of beers they've drank when there are multiple beers in front of them at any given time. A 24oz beer limit will limit patrons to one beer at a time. Is this unreasonable? Do we really want patrons "double-fisting" beers and then getting in their vehicles and driving on our roads? 24oz will protect the patrons and community members by reducing the rates of binge drinking and drunk drivers on our roads.

3. Lowering the Total Volume of Beer Served Benefits our Local Craft Brewing Businesses

Allowing local breweries to serve two beers at-a-time (32oz) to customers creates an unnecessary burden on local brewery businesses and increases the likelihood of dram shop liability. Serving patrons 24oz at-a-time will allow sample beer flights to be served, while keeping the total limit 1 pints of beer at-a-time per patron, which will reduce rates of over-serving customers, and ultimately keep both the breweries and the general public more protected from alcohol-related harms and consequences.

Other Provisions in the Bill

Local Breweries having the ability to serve sample flights of beer

We are not directly opposed to local breweries being able to serve sample flights of beers, as long as the total volume of alcohol is equivalent to the actual total amount of a sampler serving. The proposed recommendation of 24 total ounces of beer is more than generous in ensuring local breweries have the ability to serve sample beer flights.

Tap Handle Provision

We have no direct comment on the tap handle provision of the bill, nor am I in opposition to this provision.

The Alliance implores you to change the beer limit from 32oz to 24oz for the reasons mentioned above. This will be in the best interest of the people of Hawai'i, while also allowing local breweries to legally serve sample beer flights.



Mahalo for your time and attention to this urgent matter.

Sincerely,

Richard Collins

Chair

Hawai'i Alcohol Policy Alliance

(808) 728-4656



HB1172 HD1 Relating to Liquor Laws

House Judiciary Committee February 22, 2019 at 2:05pm in House Conference Room 325

Position: **Oppose**

Chair Chris Lee, Vice Chair Joy San Buenaventura, and members,

The Hawaii Partnership to Prevent Underage Drinking (HPPUD) was created to address the problem of underage drinking in the State of Hawaii. The members of the coalition represent county and state agencies, non-profit organizations, private businesses, youth and community residents concerned with the health of Hawaii's youth. **HPPUD opposes the 32oz total beer volume included in HB 1172, HD1** for the following reasons:

1. All Local Breweries Serve Sample Beer Flights Less Than 20oz of Total Beer Volume.

The Hawaii Alcohol Policy Alliance recently surveyed local breweries across the state on the total amount of beer served in their sample beer flights. All of the breweries surveyed serve less than 20oz of total beer in each sampler. We recommend the total beer volume to 24oz. This would reflect a much truer picture of the total amount of beer for sampler flights, while still allowing local breweries to serve sampler flights of beer.

2. 32oz Beer Servings Will Increase the Likelihood of Binge Drinking and Drunk Driving Rates

Most local breweries serve beer in 16oz pint glasses. 32oz of beer allows all patrons to drink two beers at one time. Not only does this encourage binge drinking, but patrons also loose track of the number of beers they've drank when there are multiple beers in front of them at any given time. A 24oz beer limit will limit patrons to one beer at a time. Is this unreasonable? Do we really want patrons "double-fisting" beers and then getting in their vehicles and driving on our roads? 24oz will protect the patrons and community members by reducing the rates of binge drinking and drunk drivers on our roads.

3. Lowering the Total Volume of Beer Served Benefits our Local Craft Brewing Businesses

Allowing local breweries to serve two beers at-a-time (32oz) to customers creates an unnecessary burden on local brewery businesses and increases the likelihood of dram shop liability. Serving patrons 24oz at-a-time allows sample beer flights to be served, while keeping the total limit, 1 pint of beer at-a-time per patron. This will reduce rates of over-serving customers and ultimately keep both the breweries and the general public more protected from alcohol-related harms and consequences.

Other Provisions in the Bill

Local Breweries having the ability to serve sample flights of beer

We are not opposed to local breweries being able to serve sample flights of beers, as long as the total volume of alcohol is equivalent to the actual total amount of a sampler serving. The proposed recommendation of 24 total ounces of beer is more than generous in ensuring local breweries have the ability to serve sample beer flights.

Tap Handle Provision

No comment or opposition to this provision.

Changing the beer limit from 32 oz to 24 oz will be in the best interest of the people of Hawaii and also allow local breweries to legally serve sample beer flights.

Cynthia Okazaki, Co-Chair Hawaii Partnership to Prevent Underage Drinking

HB1172 HD1

Relating to Liquor Laws; Liquor Laws; Beer; Tap Handle Requirement; Beer Servings; Stacking

House Judiciary Committee 02/22/19 at 2:05pm in House Conference Room 325

Chair Chris Lee, Vice Chair Joy San Buenaventura, and members of the House Judiciary

Committee

Position: Oppose

My name is Ann Collins and I live in Kula, HI and I am an individual submitting testimony on behalf of HB1172 HD1. Mahalo for the opportunity to submit testimony as I am unable to be there in-person at this time. I strongly **oppose the total beer volume of 32oz in HB1172 HD1**.

The following points are my reasons for opposing the 32oz total beer volume:

1. All Local Breweries Serve Sample Beer Flights of Less Than 20oz of Total Beer Volume.

The Hawaii Alcohol Policy Alliance recently surveyed local breweries across the state on the total amount of beer served in their sample beer flights. All of the breweries surveyed serve less than 20oz of total beer in each sampler. <u>I strongly encourage you to revise the total beer volume to 24oz. This would reflect a much truer picture of the total amount of beer for sampler flights, while still allowing local breweries to serve sampler flights of beer.</u>

2. 32oz Beer Servings Will Increase the Likelihood of Binge Drinking and Drunk Driving Rates

Most local breweries serve beer in 16oz pint glasses. 32oz of beer allows all patrons to drink two beers at one time. Not only does this encourage binge drinking, but patrons also loose track of the number of beers they've drank when there are multiple beers in front of them at any given time. A 24oz beer limit will limit patrons to one beer at a time. Is this unreasonable? Do we really want patrons "double-fisting" beers and then getting in their vehicles and driving on our roads? 24oz will protect the patrons and community members by reducing the rates of binge drinking and drunk drivers on our roads.

3. Lowering the Total Volume of Beer Served Benefits our Local Craft Brewing Businesses

Allowing local breweries to serve two beers at-a-time (32oz) to customers creates an unnecessary burden on local brewery businesses and increases the likelihood of dram shop liability. Serving patrons 24oz at-a-time will allow sample beer flights to be served, while keeping the total limit 1 pints of beer at-a-time per patron, which will reduce rates

of over-serving customers, and ultimately keep both the breweries and the general public more protected from alcohol-related harms and consequences.

Other Provisions in the Bill

Local Breweries having the ability to serve sample flights of beer

I am not directly opposed to local breweries being able to serve sample flights of beers, as long as the total volume of alcohol is equivalent to the actual total amount of a sampler serving. The proposed recommendation of 24 total ounces of beer is more than generous in ensuring local breweries have the ability to serve sample beer flights.

Tap Handle Provision

I have no direct comment on the tap handle provision of the bill, nor am I in opposition to this provision.

I implore you to change the beer limit from 32oz to 24oz for the reasons mentioned above. This will be in the best interest of the people of Hawai'i, while also allowing local breweries to legally serve sample beer flights.

Mahalo for yo	our time and	attention to	this urgent	t matter.
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Sincerely,

Ann Collins

HB1172 HD1

Relating to Liquor Laws; Liquor Laws; Beer; Tap Handle Requirement; Beer Servings; Stacking

House Judiciary Committee 02/22/19 at 2:05pm in House Conference Room 325

Chair Chris Lee, Vice Chair Joy San Buenaventura, and members of the House Judiciary

Committee

Position: Oppose

My name is Michael Sparks and I live in Kihei and I am an individual submitting testimony on behalf of HB1172 HD1. Mahalo for the opportunity to submit testimony as I am unable to be there in-person at this time. I strongly **oppose the total beer volume of 32oz in HB1172 HD1**.

The following points are my reasons for opposing the 32oz total beer volume:

1. All Local Breweries Serve Sample Beer Flights of Less Than 20oz of Total Beer Volume.

The Hawaii Alcohol Policy Alliance recently surveyed local breweries across the state on the total amount of beer served in their sample beer flights. All of the breweries surveyed serve less than 20oz of total beer in each sampler. <u>I strongly encourage you to revise the total beer volume to 24oz. This would reflect a much truer picture of the total amount of beer for sampler flights, while still allowing local breweries to serve sampler flights of beer.</u>

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Tap Handle Provision

I have no direct comment on the tap handle provision of the bill, nor am I in opposition to this provision.

I implore you to change the beer limit from 32oz to 24oz for the reasons mentioned above. This will be in the best interest of the people of Hawai'i, while also allowing local breweries to legally serve sample beer flights.

Mahalo for your time and attention to this urgent matter.

Sincerely,

Michael Sparks Kihei, Hawaii

HB-1172-HD-1

Submitted on: 2/21/2019 12:17:28 PM

Testimony for JUD on 2/22/2019 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing	
Kawena Bagano	Individual	Oppose	No	

Comments:

HB1172 HD1

Relating to Liquor Laws;

Liquor Laws; Beer; Tap Handle Requirement; Beer Servings; Stacking

House Judiciary Committee

02/22/19 at 2:05pm in House Conference Room 325

Chair Chris Lee, Vice Chair Joy San Buenaventura, and members of the House Judiciary Committee

Position: Oppose

My name is Kawena Bagano and I live in Hanamĕ 'ulu and I am an individual submitting testimony on behalf of HB1172 HD1. Mahalo for the opportunity to submit testimony as I am unable to be there in-person at this time. I strongly **oppose the total beer volume of 32oz in HB1172 HD1**.

The following points are my reasons for opposing the 32oz total beer volume:

1. All Local Breweries Serve Sample Beer Flights of Less Than 20oz of Total Beer Volume.

The Hawaii Alcohol Policy Alliance recently surveyed local breweries across the state on the total amount of beer served in their sample beer flights. All of the breweries surveyed serve less than 20oz of total beer in each sampler. I strongly encourage you to revise the total beer volume to 24oz. This would reflect a much truer picture of the total amount of beer for sampler flights, while still allowing local breweries to serve sampler flights of beer.

1. 32oz Beer Servings Will Increase the Likelihood of Binge Drinking and Drunk Driving Rates

Most local breweries serve beer in 16oz pint glasses. 32oz of beer allows all patrons to drink two beers at one time. Not only does this encourage binge drinking, but patrons also loose track of the number of beers they've drank when there are multiple beers in front of them at any given time. A 24oz beer limit will limit patrons to one beer at a time. Is this unreasonable? Do we really want patrons "double-fisting" beers and then getting in their vehicles and driving on our roads? 24oz will protect the patrons and community members by reducing the rates of binge drinking and drunk drivers on our roads.

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Other Provisions in the Bill

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sampler serving. The proposed recommendation of 24 total ounces of beer is more than generous in ensuring local breweries have the ability to serve sample beer flights.
Tap Handle Provision
I have no direct comment on the tap handle provision of the bill, nor am I in opposition to this provision.
I implore you to change the beer limit from 32oz to 24oz for the reasons mentioned above. This will be in the best interest of the people of Hawai'i, while also allowing local breweries to legally serve sample beer flights.

Mahalo for your time and attention to this urgent matter.

Sincerely,

Kawena Bagano

<u>HB-1172-HD-1</u> Submitted on: 2/21/2019 6:58:29 PM

Testimony for JUD on 2/22/2019 2:05:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Ryan Samonte	Individual	Oppose	No

<u>HB-1172-HD-1</u> Submitted on: 2/21/2019 6:59:29 PM

Testimony for JUD on 2/22/2019 2:05:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Gerald Jay D. Ganaden	Individual	Oppose	No

<u>HB-1172-HD-1</u> Submitted on: 2/21/2019 7:02:54 PM

Testimony for JUD on 2/22/2019 2:05:00 PM



Submitted By	Organization	l estifier Position	Present at Hearing
Roy Yamagishi	Individual	Oppose	No

<u>HB-1172-HD-1</u> Submitted on: 2/21/2019 7:05:21 PM

Testimony for JUD on 2/22/2019 2:05:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Faith Yamagishi	Individual	Oppose	No



<u>HB-1172-HD-1</u> Submitted on: 2/21/2019 7:05:51 PM

Testimony for JUD on 2/22/2019 2:05:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Krystal Baba	Individual	Oppose	No





64-1066 Mamalahoa Highway Kamuela, Hawaii, 96743

T 808-887-1717 F 808-885-0653 BigIslandBrewHaus@Yahoo.Com

BigIslandBrewHaus.Com

February 22, 2019

HB 1172 Tap handle labelling and stacking.

DATE: Friday, February 22, 2019

TIME: 2:05pm

PLACE: Conference Room 325

State Capitol

415 South Beretania Street

Position: **Support**

COMMITTEE ON JUDICIARY Rep. Chris Lee, Chair Rep. Joy A. San Buenaventura, Vice Chair

HB1172 Relating to Liquor Laws

Tap Handles

Big Island Brewhaus is a Class 14 Brewery & Restaurant in Waimea on the Big Island. We provide information to our customers about the beer we have on tap using blackboards, a beer menu, and of course verbal descriptions from our staff to consumers. We are able to provide more detailed information that allows consumers to make better choices including percent alcohol, information about special ingredients, and style of beer. Use of new technology such as video display boards could allow us to easily change and frequently update our menu. This legislation allows brewpubs and taprooms to keep their list current to show what is on each tap in a manner that is visible to customers.

As a matter of practicality, the names for some of our craft brews are longer than what can be easily printed on a tap handle. We brew seasonal and sometimes one-time specialty craft beer, making it very costly to design and acquire unique tap handles for each beer that we make. For small craft breweries like ours, we have a more rapid rotation compared with establishments that keep the same beer selection on tap. Current tap handle rules are burdensome for businesses like ours that serve beer from smaller independent craft breweries.

We support the change to statute proposed in HB1172 by removing the requirement for labeling of tap handles placed on spigots and faucets. HB1172 would not require the use of tap handles, and at the same time does not prevent continued use by brands wanting to continue their use.

We support providing consumers with detailed information through the use of visual displays and menus and find tap handle labels are not needed and convey less information.

Stacking

Big Island Brewhaus embraces the responsible consumption of alcohol. We support basing the maximum amount of alcohol that can be served on total volume rather than number of glasses served at one time. HB1172 calls for a limit to the total volume that can be served which allows us to continue to be mindful of not over serving alcohol.

New customers, visitors, and our regular patrons want to try new selections. Craft breweries often produce several styles. The trend for craft beer consumers is to sample different styles and new offerings. Some customers prefer smaller servings and like the option of a smaller tasting size. We serve sampler flight sized glasses that are typically 3 to 6 ounces per glass.

Serving flights of smaller volume allows our patrons to sample a greater variety of what our brewery has to offer. This helps grow our business as craft beer consumers try new releases, specialty and seasonal beer choices.

We support HB1172 defining stacking of beer based on a standard serving size of total volume of 32 ounces before a customer at any one time.

Mahalo for your consideration. We urge you to pass this bill. Thank you for the opportunity to provide testimony in support of HB1172.

Sincerely,

Thomas D. Yerns
Thomas Kerns
Founder & Brewer
Big Island Brewhaus
64-1066 Mamalahoa Highway
Kamuela, HI, 96743
BigIslandBrewhaus@yahoo.com
Cell# 808-276-3301