STAND. COM. REP. NO. 1766

Honolulu, Hawaii

APR 0 6 2023

RE: H.B. No. 1458

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2023 State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred H.B. No. 1458, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to increase the liquor manufacturing limits for Class 18 small craft producer publicense holders.

Your Committee received testimony in support of this measure from Big Island Brewhaus, LLC; Kauai Beer Company; Maui Wine, Ltd.; Honolulu Beerworks; Craft 'Ohana; Lanikai Brewing Company; and two individuals. Your Committee received testimony in opposition to this measure from the Hawaii Liquor Wholesalers Association and one individual.

Your Committee finds that existing law places limits on the amount of malt beverages, wine, and alcohol that a small craft producer pub licensee may produce during the license year. The existing limits can stifle economic growth for a small craft producer, or the industry at large. To meet current demands and promote economic growth, these production limits should be increased. This measure accordingly allows local businesses to continue to expand economic growth and, in doing so, increase manufacturing job opportunities.

Your Committee finds that this measure, as currently drafted, could potentially be subject to a constitutional challenge as discriminating against out-of-state manufacturers. Accordingly, your Committee has amended this measure by deleting language that would have restricted a small craft producer pub licensee's manufacturing limit to malt beverages, wine, and alcohol manufactured in the State.

As affirmed by the record of votes of the members of your Committee on Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1458, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1458, H.D. 1, S.D. 1, and be placed on the calendar for Third Reading.

> Respectfully submitted on behalf of the members of the Committee on Commerce and Consumer Protection.

RETT KEOHOKALOLE, Chair

The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Commerce and Consumer Protection CPN

	Committee Referral:		Date:					
HB 1458 HO)	CPN		3/23/23					
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to: pass mamended								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members	Aye	Aye (WR)	Nay	Excused				
KEOHOKALOLE, Jarrett (C)								
FUKUNAGA, Carol (VC)	V							
MCKELVEY, Angus L.K.	V							
RICHARDS, III, Herbert M. "Tim"	V							
AWA, Brenton	\ \\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\		+					
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TOTAL								
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature: Only O								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

*Only one measure per Record of Votes

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Commerce and Consumer Protection CPN

Bill / Resolution No.:*	Committee Referral:			Date:				
HB1458 HD1	CPN			03/15/2023				
The Committee is reconsidering its previous decision on this measure.								
If so, then the previous decision was to:								
The Recommendation is:								
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313								
Members		Aye	– Aye (WR)	Nay	Excused			
KEOHOKALOLE, Jarrett (C)								
FUKUNAGA, Carol (VC)				,				
MCKELVEY, Angus L.K.		V	/		•			
RICHARDS, III, Herbert M. "Ti	m"	V /						
AWA, Brenton	· - ·····							
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TOTAL		4	0	0	l			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature:								
Distribution: Original File with Committee Re		ellow 's Office D	Pink rafting Agency		denrod e File Copy			

^{*}Only one measure per Record of Votes