

STAND. COM. REP. NO.

1870

Honolulu, Hawaii

APR 03 , 2023

RE: S.B. No. 717  
S.D. 1  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Consumer Protection & Commerce, to which  
was referred S.B. No. 717, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ALCOHOL,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Expand the definition of "beer" under the liquor regulatory laws to mean any alcoholic beverage containing no less than 0.5 percent alcohol by volume obtained by fermentation of any infusion or decoction of malt or any substitute, including alcohol seltzer beverages and excluding sake, cooler beverages, and other distilled products; and
- (2) Authorize brewpubs to sell beer manufactured by the brewpub, or beer manufactured on their premises, subject to certain conditions.

Your Committee received testimony in support of this measure from Lanikai Brewing Company LLC, Waikiki Brewing Co., Maui Brewing Co., Beer Lab HI, Kauai Beer Company, and one individual. Your Committee received comments on this measure from Anheuser-Busch.

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Your Committee finds that the existing statutory definition of "beer" follows the traditional basic ingredients used in historical beer manufacturing. However, this definition does not adequately reflect the expansion of the craft beer manufacturing sector and is not in alignment with the federal definition. This measure will alleviate these inconsistencies.

Your Committee has amended this measure by:

- (1) Amending the definition for "beer" under the Liquor Tax Law to mirror the amended definition for "beer" in this measure;
- (2) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 717, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 717, S.D. 1, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Consumer  
Protection & Commerce,

  
MARK M. NAKASHIMA, Chair



