

STAND. COM. REP. NO.

175

Honolulu, Hawaii

FEB 08

, 2023

RE: H.B. No. 1259

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 Economic Development, to which was referred  
H.B. No. 1259 entitled:

"A BILL FOR AN ACT RELATING TO DIRECT SHIPPING OF LIQUOR,"

begs leave to report as follows:

The purpose of this measure is to allow direct shipment of  
all forms of liquor, rather than just wine, by certain licensees.

Your Committee received testimony in support of this measure  
from Big Island Brewhaus, Lanikai Brewing Company, Maui Brewing  
Co., Ola Brew, Kuleana Rum Works, Kauai Beer Company, Brewers  
Association, and two individuals. Your Committee received  
testimony in opposition to this measure from the Hawaii Liquor  
Wholesalers Association and Wine Institute.

Your Committee finds that under existing state law,  
direct-to-consumer shipping is limited to only wineries shipping  
wine, while other liquor manufacturers are unable to directly ship  
liquor, including beer, to consumers. Your Committee notes that  
direct-to-consumer shipping allows liquor manufacturers to serve  
their existing customers while also pursuing additional markets  
and tapping into a broader customer base. Direct-to-consumer  
shipping also assists smaller manufacturers struggling to find  
wholesalers that are willing to sell and represent their small  
brands by giving those manufacturers direct access to their

2023-1250 HB1259 HD1 HSCR HMSO

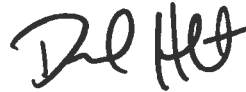


customers. Your Committee believes that allowing the direct-to-consumer shipping of all forms of liquor will encourage the growth of liquor manufacturers in Hawaii, resulting in more local jobs and an increase in overall revenue for local businesses.

Your Committee has amended this measure by changing its effective date to June 30, 3000, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1259, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1259, 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,



---

DANIEL HOLT, Chair



