

Honolulu, Hawaii

**FEB 10 2025**RE: S.B. No. 976  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committees on Commerce and Consumer Protection and Energy and Intergovernmental Affairs, to which was referred S.B. No. 976 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Allow direct shipment of beer and distilled spirits by certain licensees; and
- (2) Require the Liquor Commission or Liquor Control Adjudication Board of each county to adopt rules and regulations.

Your Committees received testimony in support of this measure from the Brewers Association, Hana Koa Brewing Co., Kauai Beer Company, Kaua'i Island Brewing Co., Kōloa Rum Co., Ko'olau Distillery, Kuleana Rum Works, Maui Brewing Co., Maui Wine, and Napali Brewing Company.

Your Committees received testimony in opposition to this measure from the Hawai'i Alcohol Policy Alliance, Hawaii Liquor Wholesalers Association, and one individual.



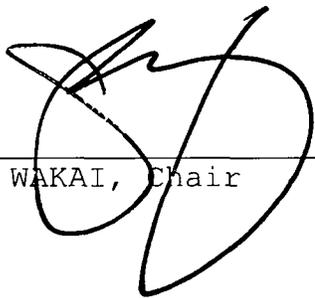
Your Committees find that, for years, wine makers have had the ability to ship direct-to-consumer. In doing so, they have responsively addressed concerns about safety, and have shown that direct shipping of alcohol can be done responsibly for producers and consumers alike. Local brewers and distillers, however, are not afforded the same option to direct-ship to consumers under existing law, creating an economic disadvantage despite consumer demands for online sales. Because many local small craft manufacturers do not produce the volume necessary to contract with a distributor compared to other major producers, this measure will strengthen economic competition and opportunities for local producers and enable them to ship their products to consumers across the State and on the continental United States, thereby building exposure to the State's craft brewery and distillery tourism sector.

Your Committees have amended this measure by:

- (1) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce and Consumer Protection and Energy and Intergovernmental Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 976, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 976, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committees on Commerce and  
Consumer Protection and Energy  
and Intergovernmental Affairs,



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GLENN WAKAI, Chair



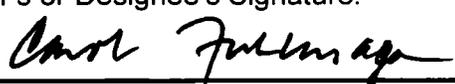
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JARETTE REOHOKALOLE, Chair



The Senate  
 Thirty-Third Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Commerce and Consumer Protection**  
**CPN**

Bill / Resolution No.:* <b>SB976</b>	Committee Referral: <b>CPN/EIG, JDC</b>	Date: <b>1/29/25</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEOHOKALOOLE, Jarrett (C)	✓			
FUKUNAGA, Carol (VC)			✓	
MCKELVEY, Angus L.K.	✓			
RICHARDS, III, Herbert M. "Tim"				✓
AWA, Brenton				✓
<b>TOTAL</b>	<b>2</b>	<b>0</b>	<b>1</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:                     Original                     Yellow                     Pink                     Goldenrod File with Committee Report                     Clerk's Office                     Drafting Agency                     Committee File Copy				

\*Only one measure per Record of Votes

