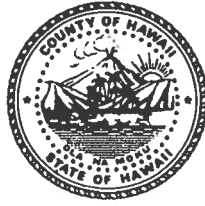


C. Kimo Alameda, Ph.D.
Mayor



Gerald A. Takase
Director

William V. Brillhante, Jr.
Managing Director

Merrick Nishimoto
Deputy Managing Director

County of Hawai'i

Department of Liquor Control

Hilo Lagoon Centre, 101 Aupuni Street, Unit 230, Hilo, Hawai'i 96720-4261
(808) 961-8218 • Fax (808) 961-8684
E-Mail: cohdlc@hawaiicounty.gov

February 20, 2025

The Honorable Kyle T. Yamashita, Chair
The Honorable Jenna Takenouchi, Vice Chair
and Members of the Committee on Finance
House of Representatives
State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

Re: House Bill No. 108, Relating to Intoxicating Liquor

The County of Hawai'i Department of Liquor Control supports HB108 which would allow our manufacturers under Class 1, 14 and 18 to be able to ship their products, beer or distilled spirits to reciprocal states.

Currently, wine shippers have been very organized and now enjoy the direct shipping privilege in practically every state. Beer and distilled spirits do not enjoy this same privilege that wine currently enjoy under the Granholm decision and subsequent procedures adopted to facilitate this delivery.

This legislation would serve to begin to right that ship and provide our local manufacturers with the opportunity to enter this marketplace and gain exposure for their developing industry.

Please give these small businesses the chance to reach a greater market and hopefully grow their business and industry. In turn, hopefully this will allow our Hawai'i products to flourish beyond Hawai'i.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerald Takase".

GERALD TAKASE
Director

GT:de

Joshua Kopp
Hana Koa Brewing Co.
962 Kawaiahao Street
Honolulu, HI 96814

HB108 Relating to Intoxicating Liquor: Direct Shipment of Liquor
House Committee on Finance
Friday, February 21, 2025 12:00PM

Position: **Support**

I am Joshua Kopp, Head Brewer and Owner of Hana Koa Brewing Co. We are an independent craft brewery producing 100% of our beer in Hawaii. We are united with other members of the Hawaiian Craft Brewers Guild in our pursuit to promote economic activity and growth for Hawaii's beer manufacturers and enhance opportunities in our communities.

Our brewery along with the other member breweries of the Hawaiian Craft Brewers Guild embrace the responsible consumption of alcohol.

Direct to consumer shipping

This bill would allow us to pivot considering the challenges of operating in a more competitive economy. When the pandemic started, we borrowed money in order to purchase a canning line so we could more effectively sell product during the shutdown. This canning line has allowed us to stay afloat by selling to retail establishments and directly to customers through our taproom.

Currently we do not have a distributor as we are a small brewery. Having the ability to ship product to direct to customers inter island and to consumers in states that allow such a transaction would be a game changer. This could be a huge benefactor for the state's tax revenue.

This does a number of things for the state. On top of the increased tax revenue from sales, it also builds exposure for Hawaii's brewery tourism sector. Cities like Denver, Portland, and San Diego already have brewery tourism as a key focus in their tourism industry. By having the ability to send beer to mainland and interisland consumers, we would build this tourism sector through exposure. This would lead to flights, hotels, and other tourist activities being booked by consumers interested in brewery tourism.

We have suffered economic challenges these past few years along with other craft beer manufacturers across the State of Hawaii, with reduced sales and income. We along with other Hawaiian Craft Brewers Guild members are seeking ways to improve our financial stability and direct to consumer shipping offers a chance to increase production and enter new markets by shipping directly to consumers over the age of 21 in other states and within the State of Hawaii to neighbor islands.

We produce includes unique styles and tastes and wholesalers don't always take the time to learn about our products and brand. Enacting this legislation would have significant beneficial impact for our brewery and other small independent craft breweries across Hawaii.

Direct shipment of wine is already allowed. Adding language allowing export of craft beer and other liquor to other states and direct shipping between islands can be accomplished using a

similar process to what is already in place for wine. Adding language to existing statute benefits our brewery and other Hawaii craft beer and alcohol manufacturers, enabling increased production.

The ability of craft beer producers to access customers through direct shipping by permit helps meet our current needs as we struggle through the financial challenges brought about by our current economic climate. Hawaii's independent craft beer manufacturers are a vibrant and innovative small business sector. This legislation would contribute to stabilization and continuation of the growth of our brewery business.

We request the House Committee on Economic development pass this bill. Mahalo for considering our testimony in support of HB108.



February 19, 2025

COMMITTEE ON FINANCE

Rep. Kyle T. Yamashita, Chair

Rep. Jenna Takenouchi, Vice Chair

Re: Testimony in Support of HB108 HD2: Authorizing Direct-to-Consumer Shipping for Beer and Spirits

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Garrett W. Marrero, and I live in Kihei, Hawai'i. I am the CEO and Founder of Maui Brewing Co., operating locations in Lahaina, Kaanapali, and Kihei on Maui, and Waikiki and Kailua on Oahu. We distribute our beverages across Hawai'i, 26 states, and 2 countries. Since our founding in 2005, we have grown from 26 team members to over 400 statewide.

We at Maui Brewing Co. are in strong support of HB108 HD2, which would expand direct-to-consumer (DtC) shipping laws to include Hawai'i's breweries and distilleries. This legislation would allow small craft producers to ship products directly to consumers within Hawai'i and to states with reciprocal DtC shipping laws. It modernizes outdated regulations and promotes fairness across all beverage alcohol categories. We recommend removing the language surrounding reciprocity that was added in the last hearing and understand that those Representatives are aligned.

Currently, Hawai'i permits the direct shipping of wine to consumers under established safeguards for age verification, tax collection, and licensing. Beer and spirits should also benefit from this proven system, ensuring:

- Expanded Hawaiian Exports: DtC shipping allows small producers to reach global markets, showcasing Hawai'i's vibrant craft beverage scene.
- Economic Recovery: By creating new revenue streams, this bill supports economic growth, especially in light of reduced tourism.
- Fairness: Allowing wine to ship directly while excluding beer and spirits is inequitable. This bill levels the playing field.

Public sentiment supports modernized DtC shipping laws:

- 82% of alcohol drinkers support updating laws for DtC shipping.
- 76% of consumers would purchase spirits online if allowed.

Handcrafted Ales & Lagers Brewed with Aloha
605 Lipoa Parkway, Kihei, HI 96753
808.213.3002

- DtC shipping is already allowed for wine in 47 states plus DC, and 11 for beer and 8 plus DC for spirits.

Concerns about underage access and harm to the three-tier system are unfounded. Existing DtC shipping laws for wine have demonstrated the effectiveness of safeguards, and the same can apply to beer and spirits. FedEx and UPS each have age gating systems to prevent minors from accessing alcohol.

HB108 HD2 builds upon Hawai'i's established framework for DtC wine shipping under HRS 281-33.6. Expanding it to beer and spirits would:

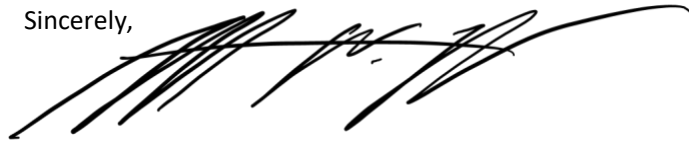
- Support small craft producers lacking traditional distribution opportunities.
- Increase exports of authentic Hawaiian products.
- Generate additional state tax revenue.

We appreciate the Legislature's consideration of this commonsense measure, which has received strong support in the past. Opposition from wholesalers should be seen as protectionist, as this bill strengthens competition without dismantling the three-tier system. In fact these same wholesalers made the same arguments when wine sought the ship DtC options, they were proven wrong.

Thank you for the opportunity to submit this testimony in strong support of HB108 HD2. It's a practical step that will grow Hawai'i's craft beverage industry, boost the economy, and align our laws with modern consumer expectations.

Mahalo for your time and consideration!

Sincerely,



Garrett W. Marrero
CEO/Founder



64-1066 Mamalahoa Highway
Waimea/Kamuela, Hawaii, 96743

Brewhaus: 808-887-1717

bigislandbrewhaus.com

Follow Big Island Brewhaus on
Facebook & Instagram

Thomas Kerns
President / Brewmaster
Big Island Brewhaus

Attn:

House Committee of Finance

HB 108_HD2 Direct to Consumer Shipping of Alcohol
Position: **Support**

Aloha Finance Committee members,

My name is Thomas Kerns and I am the owner and brewmaster of Big Island Brewhaus. We are an independent craft brewery & restaurant producing 100% of our beer in Hawaii, while employing 41 Hawaii residents. We are united with other members of the Hawaiian Craft Brewery Community in our pursuit to promote economic activity and growth for Hawaii's beer manufacturers and enhance opportunities in our communities. Our brewery along with the other craft beverage producers embrace the responsible consumption of alcohol.

Direct to consumer shipping

We along with other Hawaiian Craft Brewers are seeking ways to improve our financial stability and direct to consumer shipping offers a chance to increase production and enter new markets by shipping directly to consumers over the age of 21 in other states and within the State of Hawaii to neighbor islands. The craft beer we produce includes unique styles and tastes and wholesalers don't always take the time to learn about our products and brands. Enacting this legislation would have significant beneficial impact for our brewery and other small independent craft breweries across Hawaii.

Direct shipment of wine is already allowed. Adding language allowing export of craft beer and other liquor to other states and direct shipping between islands can be accomplished using a similar process to what is already in place for wine. Adding language to existing statute benefits our brewery and other Hawaii craft beer and alcohol manufacturers, enabling increased production.

Hawaii's independent craft beer manufacturers are a vibrant and innovative small business sector. This legislation would contribute to stabilization and continuation of the growth of our brewery business.

Direct to Consumer shipping benefits small independent craft beer businesses across the State of Hawaii.

1. While liquor sales have shown overall increases during the pandemic, this is not the case for many of Hawaii's small independent craft breweries. Our small brewery businesses typically derive a higher percent of their overall revenue from sales at their brewpubs and tap rooms compared to other alcohol manufacturers.

2. It is necessary to allow brewpubs, small craft producer pubs, and other liquor producers to obtain direct shipper permits because wholesalers may not want to sell or represent smaller brands.
3. Small scale producers usually don't find distributors interested in offering access for distribution within Hawaii where shelf space is highly competitive, and for export of their products out of state.
4. Wholesalers may not adequately represent the unique aspects of craft beer and other brands of liquor made in Hawaii by small independent producers.

Direct to Consumer shipping offers opportunities for breweries to increase production and as a result, increased tax revenue for the State of Hawaii.

1. Direct to Consumer shipping will allow Hawaii's craft beer manufacturers to increase their production to meet the demand for increased out of state sales. This in turn increases beer excise and gallonage taxes, adding to alcohol tax revenue for the State of Hawaii.
2. Rules already exist for "direct to consumer" shipping of wine, with a structure and guidelines for permitting and taxation that could be applied to direct shipping of beer and other liquor.
3. Reciprocity created with other states through this legislation facilitates market expansion for Hawaii producers with out-shipments to other states. The reciprocity offered by "direct to consumer" shipping provides tax revenue to the State of Hawaii paid by the beer and other liquor businesses for product they may ship directly to our state.

We request the House Committee on FINANCE to pass this bill. Mahalo for considering our testimony in support of HB 108_HD2.

Sincerely,

Thomas D. Kerns

Thomas Kerns

President / Brewmaster

Big Island Brewhaus

Statement of
Meli James
Cofounder
Mana Up
before the
COMMITTEE ON FINANCE

February 21, 2025

RE: HB108 - Approving Direct to Consumer for Beer and Distilled Spirits

Position: SUPPORT

Aloha Rep. Kyle T. Yamashita, Chair & Rep. Jenna Takenouchi, Vice Chair:

My name is Meli James, Co-Founder of Mana Up. Mana Up is dedicated to supporting local businesses as they grow and scale to global markets, which directly contributes to strengthening Hawai'i's agricultural economy. We would like to work together with the other parties like Ola Brew, Kō Hana Rum, and many other local spirit and beer businesses interested in supporting HB108, which would enable direct-to-consumer (DTC) shipping for beer and distilled spirits, fostering growth for Hawai'i's craft beverage industry while strengthening our agricultural economy.

Local businesses like Kō Hana Rum and Ola Brew exemplify this mission by sourcing from Hawai'i farmers—Ola Brew alone has purchased over \$3.6 million in local agriculture since 2017, benefiting 120+ farmers. HB108 would allow these producers to expand their reach, support more local growers, and share Hawai'i's unique products with the world. This bill would be a game changer for local producers like Ko Hana Rum, a Kunia-based distillery that produces Hawaiian agricole rum using locally grown sugarcane in native Hawaiian varieties. HB108 would enable Ko Hana Rum to expand its reach, allowing the distillery to bring its high-quality, locally produced spirits to a wider audience while continuing to support local farmers and preserve traditional agricultural practices. The passage of this bill would foster growth for Ko Hana and other producers, creating a more sustainable and globally recognized Hawaiian spirits industry.

This bill would also generate new tax revenue and help diversify Hawai'i's economy beyond tourism. Many visitors who enjoy our products while in Hawai'i want continued access at home, yet current restrictions prevent us from fulfilling that demand. DTC

shipping would enable long-term customer engagement and allow local producers to test new markets before expanding distribution.

Key reasons to pass HB108:

- **Economic Diversification:** Supports local businesses while reducing reliance on tourism.
- **Increased State Revenue:** More DTC sales mean more tax dollars for Hawai'i.
- **Market Expansion:** Helps local producers identify new distribution opportunities.
- **Consumer Demand:** A 2024 survey shows 86% of craft beverage consumers would try new DTC offerings, and 69% would spend \$50+ per month.

According to the 2024 Sovos ShipCompliant Direct-to-Consumer (DTC) beer/spirits shipping report, craft beer/spirits drinking respondents to a Harris Poll say if a brewery were able to legally offer DTC shipping, 86% of respondents would be likely to try a new beer/spirit from that brewery, 83% would purchase more frequently from that brewery, and 68% would likely subscribe to a beer club.

States like Hawai'i are currently missing out on this potential revenue. 69% of respondents say they would spend \$50 or more per month if allowed to do so, and 43% say they'd spend \$100 or more per month. State laws like Hawai'i's are lagging behind consumer demand, with 81% of craft beer drinkers having tried a beer/spirit while traveling that they wish they could purchase but is not available near their home, and 88% believing there should be greater legal access to DTC beer shipping.

Mahalo for the opportunity to submit this testimony on behalf of Mana Up.

Sincerely,



Meli James
Cofounder, Mana Up

**Testimony in Support of H.B. 108 H.D. 2
Relating to Intoxicating Liquor**

Hearing Date: Friday, February 21, 2025

Time: 12:00 p.m

Place: Conference Room 308, State Capitol, 415 South Beretania Street

Committee On Finance

Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee:

I am writing on behalf of Kauai Beer Company in strong support of H.B. 108, H.D. 2, which would allow breweries and distilleries to ship directly to consumers, just as wineries have been permitted to do for years. Expanding direct-to-consumer shipping is a critical step toward market parity, ensuring that Hawaii's breweries and distilleries can compete fairly while contributing to the state's economy.

As a local brewery, our ability to reach new customers is currently restricted by limited distribution options. Direct shipping would open new markets, increasing sales, generating additional tax revenue for the state, and allowing us to expand our staff to meet demand. Wineries have successfully shipped their products under existing safeguards, proving that a well-regulated system can work effectively. Extending these same opportunities to breweries and distilleries is a logical and fair next step.

This bill supports local businesses, fosters economic growth, and modernizes Hawaii's alcohol laws without compromising public safety. I urge the committee to pass H.B. 108, H.D. 2 to provide breweries and distilleries the same opportunities already afforded to wineries.

Mahalo for your time and consideration.

Sincerely,

Justin Guerber

Kauai Beer Company
4265 Rice st
Lihue, HI 96766
justin@kauaibeer.com



February 20, 2024

Dear Members of the Hawai'i House Finance Committee:

My name is Sam DeWitt, State Government Affairs Director with the Brewers Association, a 501(c)(6) national trade association dedicated to promoting and protecting small and independent craft brewers, their beer, and the large community of craft beer enthusiasts. I write today in support of House Bill 108, a commonsense bill that serves brewers and customers, both in the Islands and on the mainland.

For years, wineries have had the ability to ship direct-to-consumer. Hawaii's wine consumers have benefitted from greater choice, particularly when it comes to hard-to-find products that would overwhelm existing brick-and-mortar distribution channels. Wineries have engaged in shipping successfully and have established long-lasting relationships with their clientele by shipping their products both in- and out-of-state. The wine industry has been responsible and responsive to concerns about safety and has shown direct shipping of beverage alcohol to be safe and secure for producers and consumers alike.

Their successes have informed what we feel is a great opportunity for growth within our industry, which is still suffering nationally from the effects of the pandemic and suffering acutely in Hawai'i due to the 2023 fires.

According to the 2024 Sovos ShipCompliant Direct-to-Consumer (DTC) [beer shipping report](#), craft beer drinking respondents to a Harris Poll say if a brewery were able to legally offer DTC shipping, 86% of respondents would be likely to try a new beer from that brewery, 83% would purchase more frequently from that brewery, and 68% would likely subscribe to a beer club.

States like Hawai'i are currently missing out on this potential revenue. 69% of respondents say they would spend \$50 or more per month if allowed to do so, and 43% say they'd spend \$100 or more per month. State laws like Hawai'i's are lagging behind consumer demand, with 81% of craft beer drinkers having tried a beer while traveling that they wish they could purchase but is not available near their home, and 88% believing there should be greater legal access to DTC beer shipping.

While we understand and appreciate the opposition from our wholesale partners on this issue, I would like to remind them and the members of this committee that customers choosing to seek out beer direct shipping, who are willing to be patient and wait for the product, and are willing to pay a premium to ship the product to

themselves, are highly unlikely to do any of that if the same product is available through normal wholesale channels like liquor stores, bars, and restaurants. The beers we're talking about aren't available in their local area, or they'd go down the street and purchase at the regular price and have it immediately instead of paying a premium and waiting a week or longer to receive it. It defies reason and logic to claim otherwise.

The point is that many beers don't currently exist in the wholesale marketplace, so wholesalers are not losing business or routes for their employees. Indeed, long term, direct shipping can open new product lines for wholesalers in Hawai'i just as Hawai'ian breweries will benefit from gaining more exposure on the mainland.

Additionally, according to the National Beer Wholesalers Association (NBWA), which puts out an annual Beer Purchasers Index, an informal monthly statistical release to show industry beer purchasing activity, wholesalers are scaling back on craft purchasing, cutting SKUs from their inventory, and are not seeking to add more craft to their trucks. For wholesalers to cut back on the number of craft brands they'll carry while simultaneously advocating against brewers finding other routes to market is unfair to the small businesses just trying to make it.

Further, niche SKUs (like limited releases) are not meant for wide distribution in the first place. Wholesale partners generally do not want those products, even from brands they already represent, leaving few options for them to reach the market. For these beers – and the community of beer enthusiasts who want those limited-run products – DTC shipping is a logical step.

Direct-to-Consumer shipping is one opportunity to bridge the gap between consumer preferences and the realities of the distributed market.

House Bill 108 is a simple piece of legislation that will benefit many. Thank you for your time and service to the people of Hawai'i; the Brewers Association respectfully asks for a Yes vote.

Sincerely,
Sam DeWitt
State Government Affairs Director
Brewers Association
720.837.6935



LANIKAI
BREWING CO.

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

HB108 HD2 SUPPORT

Aloha Chair Yamashita and Vice Chair Takenouchi and members of the FIN committee,

While covid restrictions have passed, local businesses involved in manufacturing of alcohol for hospitality have continued to feel the financial pressure and are still struggling to recover post pandemic with significant increases in costs all around, without proportional increases in margin. Currently, this is the weakest our local manufacturing industry has been in a very long time. While wineries in Hawaii are PERMITTED to ship products directly to consumers, other manufacturers, holding the identical manufacturing licenses are not permitted to ship directly to consumers within the state and across state lines. Since there are established processes with the shipment of alcohol in general that have been established without issues, requesting that all manufactured products under those same licenses be permitted to sell directly to consumers.

Can minors get access to alcohol from shipments? NO, this is no different than shipping wine. The major carriers have specialty labels and processes requiring signatures for those over 21 to sign for a package. Minors are not likely to order high end products or specialty items even if they could.

This is not a replacement of a 3 tiered system, this system is already in place with wineries. This is a supplement for it. In Hawaii, we always talk about supporting local businesses and diversifying our economy, this bill does exactly that.

Wholesalers will argue many points, but most importantly, these wholesalers are not distributed in 50 states and will not ship our products to 50 states anyways. This bill would not impact wholesalers since they are not operating in those states.

A vote in favor of this bill is a vote for small businesses and producers in Hawaii working to diversify our economy and grow to be able to eventually export more made in Hawaii products. More products made locally, supports more local jobs and all the affiliate tax basis to the State.

A vote against this bill is a DIRECT VOTE AGAINST SUPPORTING LOCAL PRODUCERS in favor of large, out of state funded wholesalers.

Please vote in FAVOR of this bill. This can potentially not only help stabilize local manufacturing and local jobs, but also increase tax revenue from increased sale of our products proudly made in Hawaii.

Aloha members of of the CPC committee,



CEO & Brewmaster, Certified Cicerone®
Lanikai Brewing Company, Lanikai Spirits both Island Inspired™
Brewery/Distillery @ 175-C Hamakua Dr, Kailua, HI 96734
Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734 everyday 12p-10p
***Coming soon Brewpub on North Shore of Oahu
FB: Lanikai Brewing Company, Instagram: @lanikaibrewing

Lanikai Brewing Company, Island Inspired™ Craft Beer
Brewery @ 175-C Hamakua Dr, Kailua, HI 96734
Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734
FB: Lanikai Brewing Company, Instagram: @lanikaibrewing



1050 Bishop St. PMB 235 |
Honolulu, HI 96813
P: 808-533-1292 | e:
info@hawaiiifood.com

Executive Officers

Maile Miyashiro, C&S Wholesale Grocer, *Chair*
Kit Okimoto, Okimoto Corp., *Vice Chair*
Jayson Watts, Mahi Pono, *Secretary/Treasurer*
Lauren Zirbel, HFIA, *Executive Director*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Advisor*
Eddie Asato, Pint Size Hawaii, *Advisor*
Gary Okimoto, Safeway, *Immediate Past Chair*

TO: Committee on Finance
FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: February 20, 2025

TIME: 12pm

RE: HB108 HD2 Relating to Intoxicating Liquor
Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

HFIA is in opposition to this measure. We believe that the current three tier system of manufacturers, distributors and retailers is the best system for beer and spirits in our state. This system has functionally allowed for the growth of our distilling and brewing sector, as well as the liquor distribution, and retail sectors in Hawaii. This creates economic growth and jobs, and supports local businesses. The three tier system also helps guard against purchases of beer and spirits by underage persons. Disruption to this system is not necessary and will likely have negative impacts for some of our local businesses. Changing this system could allow minors easier access to alcoholic beverages. For these reasons we ask that this measure be held and we thank you for the opportunity to testify.

HB-108-HD-2

Submitted on: 2/20/2025 9:40:55 AM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Jefferson	Kuleana Spirits, inc. dba Kuleana Rum Works	Support	Written Testimony Only

Comments:

Testimony in Strong Support of HB108 HD2

Aloha kākou Chair, Vice Chair, and Members of the Committee:

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*

- *Hawai'i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully submitted,

Steve Jefferson, Founder & CEO Kuleana Rum Works



February 20, 2025

Aloha,

When I helped start Koloa Rum in Kauai in 2009, there were fewer than 75 distilleries in the entire country. In the years since, consumer interest in locally made spirits has boomed, with craft distilleries now numbering more than 3,000 nationwide. But the laws governing our industry have yet to catch up with this explosive growth. Among the most damaging examples has been our inability to sell bottles online and ship them directly to customers.

This is particularly frustrating given that the laws don't apply to other alcohol producers. For decades, winemakers have managed alcohol shipments responsibly, with ample compliance safeguards to prevent alcohol from falling into the hands of minors. During the pandemic we found the same to be true for distillers. We had not one single compliance issue. Today, 47 states plus D.C. allow direct shipments of wine, but only nine states plus D.C. permit direct shipping of distilled spirits. This is because at the time DTC shipping was made legal for winemakers, there were hardly any craft distillers. The laws simply haven't caught up.

Passage of HB108 HD1, with an effective date of July 1, 2025, would bolster not just craft distillers and brewers, but the hundreds of jobs our industry supports.

Distributors and retailers will always be our first choice for bringing our products to market, but DTC shipping allows craft distillers and brewers to measure the level of demand for specialty bottles before we bring them to distributors. Further, the sheer number of products from new distilleries and brewers is overloading traditional distributors and retailers. DTC shipping can provide another way to bring these products to market.

Of course, our customers also win big as validated by a survey conducted by the Distilled Spirits Council which found that 80% of consumers believe distillers should be allowed to ship to legal-age consumers in any state.

It's time to modernize laws to meet the growth of the craft distilling industry. Laws that give consumers the right to choose the spirits they want, purchase them at their convenience, and have them shipped to their homes will boost the ability of companies like ours to grow, compete, and hire.

Mahalo - Bob Gunter President & CEO

2-2741 Kaunualii Highway, Suite C, Kalaheo, Hawaii 96741
808-332-9333 Phone / 808-332-7650 Fax
WWW.KOLOARUM.COM

HB-108-HD-2

Submitted on: 2/20/2025 9:51:37 AM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matt Mitchell-Hardt	Kuleana Rum Works	Support	Written Testimony Only

Comments:

Aloha kākou Chair, Vice Chair, and Members of the Committee:

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

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2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully submitted,

Matt Mitchell-Hardt

CSO Kuleana Rum Works



FIVE WATERFRONT PLAZA
500 ALA MOANA BLVD STE 400
HONOLULU, HAWAII 96813

February 20, 2025

House Committee on Finance
Representative Kyle T. Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair
State Capitol
415 South Beretania Street
Honolulu, HI 96813

Re: House Bill 108 HD2 (Companion SB464)
Hearing Date: February 21, 2025, 12:00 PM

Dear Chair Yamashita, Vice Chair Takenouchi and Committee Members:

The Hawaii Liquor Wholesalers Association respectfully submits the following written testimony in **opposition** to HB108 HD2 Relating to Intoxicating Liquor.

Section 2 would amend HRS Chapter 281 to allow direct shipment of unlimited amounts of any beer or distilled spirits from outside each county to persons within the county. The current three tier system of manufacturers, distributors and retailers works and has been in place for many years. Changing the system by allowing out of state and in state producers to ship beer and distilled spirits directly to consumers will have adverse consequences.

First, direct shipment will allow minors easy access to liquor. States that have allowed direct shipment have found that there is little or no oversight of the final delivery of the product. One study showed that 45% of orders placed by underage purchasers were successfully received. Direct shipment also increases the likelihood of counterfeit or adulterated product making its way to consumers. Out of the county and out of state shippers have no ties to the local county community and would feel less responsible for sales to minors and for any liability for underage drinking or counterfeit product. This would create numerous oversight issues regarding liability of the producers and shippers. The current three-tier liquor distribution system is intended to protect consumers and has worked to help prevent sales to minors and ensure the integrity of the liquor distribution.

Allowing direct shipment to Hawaii residents would create marketplace disruption and the possibility of monopolies formed by the largest beer and spirits producers. The

current three-tier system of manufacturers, distributors, and retailers has successfully prevented liquor monopolies, helping lead to a boom in craft distilling and a diverse marketplace. Direct shipments will make monopolies easier because big players can dominate the online advertising space and in-person large event advertising. Monopolies will only hurt local manufacturers, wholesalers, and related business, which will result in loss of sales and jobs to Hawaii residents.

States that allow direct shipment of wine have found problems in the States' ability to collect taxes. For example, Virginia found that nearly 40% of all shipments were unlicensed and thus nontaxed. There has been no accounting of the current volume of directly shipped wine and whether the proper general excise and liquor taxes are being paid. The justification for directly shipped wine was to help small local wineries sell their product. There is no similar justification here.

Before any consideration is given to expanding direct shipment to other liquor, an audit should be conducted to determine whether the current direct ship program is working and whether the State is receiving all the taxes that should be paid on the direct shipments. A preliminary investigation on Hawaii County started in 2025 shows 150 potential shippers without permits, and in response to Hawaii County letter inquiries sent just one week ago, one retailer already admitted that it did not know it was illegal to ship without a permit.

Other states have found that direct ship programs have resulted in large amounts of illegal wine delivered to the state without payment of taxes or proper licensing. The impact to Hawaii's economy is significant where nonpayment of taxes and fees allows out of state shippers to undercut local suppliers and businesses. Hawaii risks the loss of millions of tax and license dollars and loss of jobs every year from illegal direct shipments.

Hawaii's wine and spirits wholesalers are strong economic drivers, providing reliable employment and investment in all counties. Hawaii's wine and spirits wholesalers alone, not including beer wholesalers, employ more than 650 people in Hawaii, who earn \$44 million in wages. The wine and spirits industry creates over 9,300 jobs in Hawaii and Hawaii receives over \$103 million in tax revenue from alcohol sales. Wine and spirits distributors service 6,845 retailers from 32 facilities throughout Hawaii.

Allowing direct to consumer sales would undoubtedly result in the loss of hundreds of jobs, millions in wages, and tax revenue. The cost to implement and enforce such shipments would require funding for the hiring of additional employees and implementation of new procedures, with no source of funding and no assurance that such sales and shipment will be property enforced.

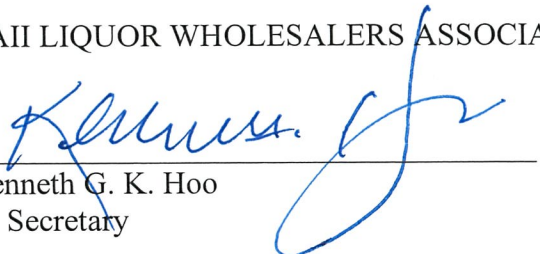
The current three-tier system has worked for many years. It would be a mistake to change it by allowing direct shipment of any liquor.

Based on the above, we respectfully oppose HB108 HD2. Thank you for your consideration of the foregoing.

Very truly yours,

HAWAII LIQUOR WHOLESALERS ASSOCIATION

By: _____


Kenneth G. K. Hoo
Its Secretary

HB-108-HD-2

Submitted on: 2/20/2025 10:42:48 AM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rochelle Hunt	KULEANA RUM WORKS	Support	Written Testimony Only

Comments:

Aloha kākou Chair, Vice Chair, and Members of the Committee:

I am writing in strong support of HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will enable Hawaii’s small craft producers to reach new markets, foster economic diversification, and provide a critical supplement to the existing three-tier system.

1. Economic Diversification and Revenue

- By allowing beer and spirits DTC shipping, Hawai‘i can diversify its economy beyond tourism.*
- Small producers will gain direct access to consumers, strengthening local businesses and increasing tax revenues from out-of-state sales.*

2. Support for Small Craft Producers

- DTC shipping is not a replacement for the three-tier system but a pathway for smaller brands to test new markets without the financial risks of full-scale distribution.*
- Successful DTC sales often lead to new distributor partnerships, benefiting both producers and the State.*

3. Reducing Reliance on Tourism

- DTC shipping allows visitors who have enjoyed Hawai‘i-made products to continue purchasing them from home.*
- This helps sustain local producers while reducing the strain of in-person tourism on our ‘āina and infrastructure.*

4. Ensuring Responsible Shipping

- The concerns about minors accessing alcohol can be addressed by following the same safeguards already in place for wine shipping—requiring age verification and conspicuous labeling.*
- Other states successfully ship beer and spirits using these protocols, and Hawai‘i can adopt similar compliance measures.*

5. Consumer Demand and Missed Opportunity

- National data show a significant demand for DTC beer and spirits: consumers would purchase more frequently and spend more per month if given the legal option.*
- Hawai‘i stands to benefit from this demand, which translates to increased sales for local producers and additional revenue for the State.*

For these reasons, I respectfully urge you to pass HB108 HD2. Allowing direct shipment of beer and distilled spirits will strengthen Hawaii's small craft producers, generate new tax revenue, and offer residents and visitors alike greater access to the products that make our islands special.

Mahalo for the opportunity to testify in support of this important legislation.

Respectfully submitted,

Rochelle Hunt, Corporate Office Manager, Kuleana Spirits, Inc.

HB-108-HD-2

Submitted on: 2/20/2025 10:59:29 AM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jackie Jefferson	Kuleana Rum Works	Support	Written Testimony Only

Comments:

Aloha kākou Chair, Vice Chair, and Members of the Committee:

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Mahalo for the opportunity to testify in support of this important legislation.

Respectfully submitted,

Jackie Jefferson, Experiences Manager, Kuleana Rum Works

February 19th, 2025

RE: HB108

Position: SUPPORT



HAWAIIAN OLA
BREWING CORPORATION

74-5598 LUHIA ST.
KAILUA-KONA
HAWAII, 96740

WWW.OLABREWCO.COM



Aloha Chair Yamashita and Vice Chair Takenouchi and Members of the Committee,

My name is Naehalani Breeland and I am the President and Co-Founder of Ola Brew. We would like to work together with the other parties interested in strongly supporting HB108. Ola Brew is a Hawai'i Island community- and employee-owned brewery with over 4,200 community owners and two taprooms, one in Hilo and one in Kona. Our mission is to encourage the growth of Hawai'i's agricultural economy by purchasing local ingredients and incorporating them into our specialty brews. Since opening our doors in Dec. 2017, Ola Brew has purchased over \$3.6M worth of local agriculture that has increased annual revenues for over 120 farmers, supported countless local businesses and contractors and currently employs over 65 Hawai'i Island residents.

We have also recently begun resurrecting our Monarch-era distilled spirit, 'Okolehao, and have won over 60 international awards for the spirit. We are currently renovating the former Hilo Sugar Mill as our distillery which is located right on Hilo Bay, and are looking forward to the incredible agricultural opportunities we see with the production of this Spirit of Hawai'i.

I stand by my previous testimonies regarding diversifying Hawai'i's economy through producing more value added exports which in turn increases the state's tax income through more exports, and also gives the opportunity for our small businesses to create lasting relationships with visitors through these products without the added weight on Hawai'i's 'āina and infrastructure.

Now, I'd like to speak directly to some of the concerns outlined by the Hawai'i Liquor Wholesalers Association regarding their concerns of HB108, as I believe they are a bit misleading.

Their first concern outlined is that of the direct shipped products getting into the hands of individuals under the age of 21. Consumption of alcohol by minors is a concern that we all share as liquor license holders in our taprooms and our retail spaces. Direct to Consumer shipping doesn't change that for us or for the national couriers, like Fed Ex, and UPS that require each license holder to become an authorized alcohol shipper in their organization as well. With the exponential rise of e-commerce in every other industry, it only makes sense for this industry as well. Of course regulations and compliance standards to ship alcohol are of the utmost importance, and those outlined in this bill have been successful with our wine manufacturers here in Hawai'i as well as with other states throughout the US that allow DTC of all alcoholic beverages, including our state of Hawai'i for wine sales direct to consumer.

Another argument is that allowing for direct to consumer shipping will create the possibilities of monopolies within the beer and spirits industry. I will argue that the only monopolies that have ever existed are by the distributors themselves. Direct to consumer shipping is not presented as a replacement for three tier distribution, but rather an

opportunity for small Hawai'i producers to sell specialty items that our distributors will not pick up due to the volume potentials that they see or don't see. An example of this is we have over 40 different products on tap that we produce small can-runs of occasionally, and 17 that we sell through our distributor. We release specialties in our taprooms, and every time we do, we get at least 20 requests from outer-islands or from the continent. This could be an easy sale Direct to Consumer, but it isn't worth it to our distributor to set up a new item for 20 cases.

So, a question to our wholesalers: are you willing to distribute every product that we produce? The answer that many Hawai'i producers have heard is a resounding NO and it actually makes sense, because they are looking for high volume moving products. This is where direct to consumer shipping comes in and saves the day. In fact, this would actually help us to vet new products to introduce to our distributor partners here in Hawai'i and throughout the continental US. Many small Hawai'i producers can't take that initial financial risk of launching in a new region. Direct to consumer shipping would not only bring additional tax revenue to the state, but it would allow much needed vetting of new regions that could eventually create traditional distributor partnerships in those areas. So again, this is not doing away with the three tier system, it is working together to test market products, so that we can eventually drive more business to our distributor partners.

Another concern outlined by the Liquor Wholesalers is the fact that if license holders are shipping directly to consumers they may not pay their taxes on products sold in this way. As we are all well aware, our compliance through county, state and federal departments, and the compliance reporting wouldn't allow us to not pay taxes on the products we are making. Our county liquor departments do an incredible job of notifying all licensees of deadlines with compliance standards and a courier or shipping report would be just another compliance item that we would add into our monthly or quarterly reporting.

And lastly, allowing direct to consumer shipping of alcohol would not affect the livelihoods of the wholesalers in Hawai'i, because the products that we are looking to sell aren't in their catalogs, and with more products and more variety, comes more visibility and interest for Hawai'i producers in general.

Thank you so much for your time and consideration of this testimony.

Me ka ha'aha'a,



Co-Founder and President - Ola Brew Co

p. 808.388.6654

e. naehalani@olabrewco.com

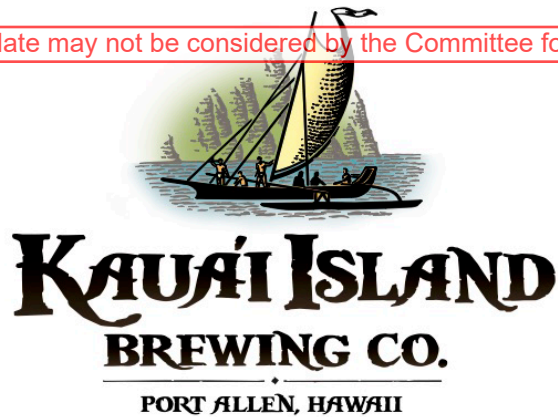


HAWAIIAN OLA
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February 20, 2025

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Scot Z. Matayoshi, Chair
Rep. Cory M. Chun, Vice Chair

Re: Testimony in Support of HB108: Authorizing Direct-to-Consumer Shipping for Beer and Spirits

Aloha Chairs, Vice Chairs, and Members of the Committees,

My name is Bret Larson and I live in Wailua, Kauai, Hawai'i. I am owner and founder of Kauai Island Brewing Company, operating locations in Port Allen and Koloa on Kauai.

I write to you today in strong support of HB108, which would expand direct-to-consumer (DtC) shipping laws to include Hawai'i's breweries and distilleries. This legislation would allow small craft producers to ship products directly to consumers within Hawai'i and to states with reciprocal DtC shipping laws. It modernizes outdated regulations and promotes fairness across all beverage alcohol categories.

Currently, Hawai'i permits the direct shipping of wine to consumers under established safeguards for age verification, tax collection, and licensing. Beer and spirits should also benefit from this proven system, ensuring:

- Expanded Hawaiian Exports: DtC shipping allows small producers to reach global markets, showcasing Hawai'i's vibrant craft beverage scene.
- Economic Recovery: By creating new revenue streams, this bill supports economic growth, especially in light of reduced tourism.
- Fairness: Allowing wine to ship directly while excluding beer and spirits is inequitable. This bill levels the playing field.
- Public sentiment supports modernized DtC shipping laws:
- 82% of alcohol drinkers support updating laws for DtC shipping.
- 76% of consumers would purchase spirits online if allowed.
- DtC shipping is already allowed for wine in 47 states plus DC, and 11 for beer and 8 plus DC for spirits.
- Concerns about underage access and harm to the three-tier system are unfounded. Existing DtC shipping laws for wine have demonstrated the effectiveness of safeguards, and the same can apply to beer and spirits.
- HB 108 builds upon Hawai'i's established framework for DtC wine shipping under HRS 281-33.6. Expanding it to beer and spirits would:
- Support small craft producers lacking traditional distribution opportunities.
- Increase exports of authentic Hawaiian products.

Brewery Location: 4350 Waialo Rd, Port Allen, HI 96705 Saloon and Whiskey Bar 5460 Koloa, HI 97656

Mailing Address: PO Box 215, Elele, HI 96705

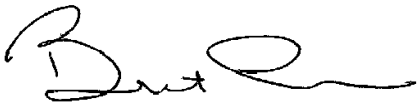
www.kauaiislandbrewing.com

- Generate additional state tax revenue.

We appreciate the Legislature's consideration of this commonsense measure, which has received strong support in the past. Opposition from wholesalers should be seen as protectionist, as this bill strengthens competition without dismantling the three-tier system. In fact, these same wholesalers made the same arguments when wine sought the ship DtC options, they were proven wrong.

Thank you for the opportunity to submit this testimony in strong support of HB 108. It's a practical step that will grow Hawai'i's craft beverage industry, boost the economy, and align our laws with modern consumer expectations.

Mahalo for considering our testimony and **APPROVE** HB 108

A handwritten signature in black ink, appearing to read "Bret Larson". The signature is fluid and cursive, with a large initial "B" and a long, sweeping tail.

Bret Larson
Kauai Island Brewing Company, LLC.
808-755-5926
bret@kauaiislandbrewing.com

HB-108-HD-2

Submitted on: 2/20/2025 1:02:53 PM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robert Dawson	Ko Hana Distillers	Support	Written Testimony Only

Comments:

Testimony in Strong Support of HB108 HD2

Aloha Chair, Vice Chair, and Members of the Committee,

I strongly support HB108 HD2, which expands direct-to-consumer (DTC) shipping privileges to include beer and distilled spirits. This measure will provide Hawaii's small craft producers with greater market access, support economic diversification, and complement the existing three-tier system.

Allowing DTC shipping will strengthen local businesses by providing direct access to consumers, increasing sales, and generating additional tax revenue for the state. It offers a valuable opportunity for small producers to test new markets without the financial risks of full-scale distribution, often leading to partnerships with distributors. Additionally, it reduces reliance on tourism by allowing visitors to continue purchasing Hawaii-made products from home, supporting local businesses while alleviating pressure on the state's infrastructure and environment.

Concerns about underage access can be effectively addressed by implementing safeguards already in place for wine shipping, such as age verification and clear labeling. Other states have successfully adopted these measures for beer and spirits, demonstrating that responsible shipping can be ensured. National data also shows strong consumer demand for DTC beer and spirits, representing a missed economic opportunity for Hawaii. Expanding DTC privileges will allow the state to capitalize on this demand, benefiting both producers and the economy.

For these reasons, I respectfully urge you to pass HB108 HD2. This legislation will strengthen Hawaii's craft producers, generate new tax revenue, and provide residents and visitors with greater access to the unique products of our islands.

Mahalo for the opportunity to testify in support of this important measure.

Robert Dawson - Co-Founder - Kō Hana Distillers



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
Friday, February 21, 2025 AT 12:00 P.M.**

To The Honorable Representative Kyle T. Yamashita, Chair
The Honorable Representative Jenna Takenouchi, Vice Chair
Members of the Committee on Finance

SUPPORT HB108 HD2 RELATING TO INTOXICATING LIQUOR

The Maui Chamber of Commerce **SUPPORTS HB108 HD2** which allows direct shipment of beer and distilled spirits by certain licensees; and requires the liquor commissions to adopt rules.

The Chamber understands that, under current state law, direct business-to-consumer shipping of alcoholic beverages is limited to wineries shipping wine. As a result, non-winery manufacturers are prohibited from directly shipping alcoholic beverages, including beer and distilled spirits, to consumers.

We note that this measure will allow small craft producers to ship products directly to consumers within Hawai'i and to states with reciprocal direct business-to-consumer (DtC) shipping laws. It modernizes outdated regulations and promotes fairness across all beverage alcohol categories. DtC shipping will also help smaller manufacturers who struggle to find wholesalers willing to sell and represent their small brands by giving them direct access to customers.

We support legislation that enables small businesses to expand their markets, providing them with an additional avenue to increase revenues and sustain their operations..

For these reasons we **SUPPORT HB108 HD2**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

HB-108-HD-2

Submitted on: 2/20/2025 7:50:41 PM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
kelvin kohatsu	Hawaii Transportation Association	Support	Written Testimony Only

Comments:

Hawaii Transportation Association supports HB108 HD2

Thank you,

Kelvin

HB-108-HD-2

Submitted on: 2/20/2025 11:43:29 AM

Testimony for FIN on 2/21/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brett Jacobson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita and Vice Chair Takenouchi and Members of the Committee,

The three-tier distribution system for alcohol in the United States began shortly after the repeal of Prohibition in 1933, with the goal of preventing any single entity from controlling the entire alcohol supply chain by separating producers, distributors, and retailers into distinct tiers, thus preventing monopolies and promoting fair market competition; essentially, it was designed to avoid the abuses that led to Prohibition in the first place.

Passing of HB108 will not conflict with the intent of the three-tier system unless the industry is worried that one of our small local alcohol manufactures is going to monopolize the entire industry in the USA. As we all know manufacturing is not affordable in Hawaii so the passing of this Bill will not go against the nature of the law as originally intended.

This bill will not only benefit the local producers in Hawaii but also the local residents as consumers. We live in a day in age where you can order everything online, door dash, or have your order ready for you at curbside pickup.

Why not allow Hawaii residents to also be allowed to order their favorite products from neighboring islands? Being that our state consists of many counties separated by the ocean, it's even more important than other states to allow us to mail products amongst the state. I reside on Hawaii island and I'm a member of Ko Hana Rum from Oahu. I should be receiving my quarterly bottles through my membership but they are not allowed to ship to me. Instead they have been stockpiling all my bottles until I can fly to Oahu, pack up my shipment and fly back with it. I love Beer Lab, Inu Island Ales, Wailuku Distillery, but the only time I can get their products is when I visit. I would be purchasing more local options if they could ship the products to me instead of only when I visit those islands maybe once a year.

Please consider passing HB108, it will cause no harm and only bring more revenue to Hawaii manufactures, leading to more tax dollars for the state and counties.

Sincerely,

Brett Jacobson