

Honolulu, Hawaii

FEB 12 2015

RE: S.B. No. 1151
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 1151 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to authorize:

- (1) Restaurants and retail dealers with a liquor license to sell beer, malt beverages, wine, or cider for off-premises consumption, under certain conditions; and
- (2) Brewpubs and small craft producer pubs with a liquor license to sell malt beverages purchased from another liquor licensee for off-premises consumption.

Your Committee received testimony in support of this measure from the Hawaii Food Industry Association, Hawaiian Craft Brewers Guild, Whole Foods Market, Maui Brewing Co., Maui Growlers LLC, and three individuals. Your Committee received testimony in opposition to this measure from the Wine Institute and Hawaii Liquor Wholesalers Association. Your Committee received comments on this measure from the Liquor Commission of the City and County of Honolulu and one individual.

Your Committee finds that this measure permits the sale of growlers at all liquor retail establishments and restaurants and allows brew pubs and small craft producer pubs to sell different brands of beer in growlers. This measure enables consumers to try



an expanded selection of draft beer and also provides the opportunity for growth and expansion of the local craft beer industry.

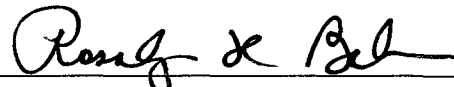
Your Committee has heard testimony that wineries must be able to make a business decision as to the packaging of their wine sold to consumers and also need the ability to ensure that their wine is not adulterated. Your Committee understands the concern that allowing growlers to be used for wine, as proposed by this measure, may cause labeling and sanitation issues. Your Committee notes that this measure was intended to focus on the promotion of craft beer and local breweries, rather than the wine industry.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that permitted restaurants and retail dealers with a liquor license to sell wine for off-premises consumption, under certain conditions; and
- (2) Inserting an effective date of July 1, 2020, to encourage further discussion.

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 S.B. No. 1151, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1151, S.D. 1, and be referred to the Committee on Public Safety, Intergovernmental and Military Affairs.

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



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB1151	Committee Referral: CPN, PSM	Date: 2/5/15		
<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
BAKER, Rosalyn H. (C)	✓			
TANIGUCHI, Brian T. (VC)				✓
KAHELE, Gilbert	✓			
KIDANI, Michelle N.	✓			
NISHIHARA, Clarence K.	✓			
WAKAI, Glenn	✓			
SLOM, Sam	✓			
TOTAL	6	0	0	1
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