



Centerplate

Hearing Date/Time: March 29, 2012 (2:35 PM)

The Honorable Robert N. Herkes, Chair
House Committee on Consumer Protection & Commerce
State Capitol, Conference Room 325
Honolulu, Hawai'i 96813

Re: S.B. 3031, S.D. 1 – Relating to Intoxicating Liquor

Dear Chair Herkes, Vice Chair Yamane, and Committee Members:

I am Roger Reeves, Centerplate's Director of Operations for the Hawai'i Region, testifying in support of S.B. 3031, S.D. 1. The bill would clarify that a liquor licensee who timely suppresses unlawful activity from occurring on the licensed premises (for example, by detaining and reporting the offending person to the police) shall not be deemed to be in violation of Hawaii Revised Statutes ("HRS") §281-78(b)(6).¹

For 20 years, Centerplate has been the concessionaire for the Waikiki Shell and Neal S. Blaisdell Center, and for the past 11 years, we have been the concessionaire for the Aloha Stadium. We provide the food and beverages for events such as the KCCN Birthday Bash, Kokua Fest, and Jammin' Hawaiian Events, and concerts such as Jimmy Buffet, Bon Jovi, and Elton John.

S.B. 3031, S.D. 1 addresses a problem with Hawaii's liquor licensing law that we have encountered when people manage to sneak illegal drugs (primarily marijuana) into an event at one of our large public venues. The mere fact that a patron has been caught with an illegal drug on the licensed premises has been found to be a violation by the liquor licensee of HRS §281-78(b)(6), even if the offending patron is detained and reported to appropriate authorities in a timely manner. It is our understanding that the Honolulu Liquor Commission believes that HRS §281-78(b)(6) and the rules it has adopted pursuant to that section of the liquor licensing law require such a "strict liability" interpretation.

Because of that, the Honolulu Liquor Commission and Centerplate have worked together to try and clarify HRS §281-78(b)(6). Centerplate truly appreciates the Honolulu Liquor Commission's collaborative spirit and believes that the clarification made by S.B. 3031, S.D. 1 will result in HRS §281-78(b)(6) being appropriately interpreted.

¹ HRS §281-78(b)(6) currently reads, in pertinent part, "[a]t no time under any circumstances shall any licensee or its employee ... [f]ail immediately to prevent or suppress any violent, quarrelsome, disorderly, lewd, immoral, or unlawful conduct of any person on the premises."

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To further aid in the appropriate interpretation of HRS §281-78(b)(6), we respectfully request that the second paragraph of the purpose section of S.B. 3031, S.D. 1 (page 1, line 9) be amended to read identically to the bill's description, as follows:

The purpose of this Act is to clarify that a licensee who timely suppresses unlawful activity from occurring on the licensed premises, including by means of detaining and reporting an offender to the police, shall not be deemed to be in violation of section 281-78(b)(6), Hawaii Revised Statutes.

In addition, Section 5 (page 4, line 21) should be amended to make the effective date of the measure "upon approval" rather than "July 1, 2050".

Finally, we note that irresponsible liquor licensees who do *not* "timely prevent or suppress any violent, quarrelsome, disorderly, lewd, immoral, or unlawful conduct of any person on the premises" are still subject to discipline under HRS §281-61(b), which allows the liquor commission to, "at the time of renewal or at any time ... revoke, suspend, or place conditions or restrictions on any license issued under this chapter for the purpose of preventing activities within the licensed premises or adjacent areas that are potentially injurious to the health, safety, and welfare of the public and neighborhood including but not limited to criminal activity, including assault, drug dealing, drug use, or prostitution, upon proper notice to the licensee, and a hearing before the commission pursuant to chapter 91."

Centerplate respectfully requests that you to pass S.B. 3031, S.D. 1, with the minor editing of the purpose section of the bill and making the bill effective "upon approval." Thank you for this opportunity to present testimony. We're happy to answer any questions you might have.

Sincerely,



Roger Reeves
Director of Operations
Centerplate - Hawai'i Region