

**LIQUOR COMMISSION  
CITY AND COUNTY OF HONOLULU**

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KIRK CALDWELL  
MAYOR



January 31, 2018

The Honorable Roy M. Takumi, Chair  
The Honorable Linda Ichiyama, Vice Chair  
and Members of the Committee on Consumer Protection  
& Commerce

**Hearing:** Friday, February 2, 2018  
2:00 PM; Room 329

**Position:** Comments on HB 2414, Relating to Intoxicating Liquor

Dear Chair Takumi, Vice Chair Ichiyama, and Members:

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony providing comments on House Bill 2410, Relating to Intoxicating Liquor.

The Commission fully supports legislation that both legitimately reduces the application burden for certain types of licensees but also gives reasonable flexibility to regulators in addressing oversight and compliance requirements. That said, we submit comments on Sections 1 and 2 of House Bill 2414 for the purpose of clarifying the desired impact of the proposed measure.

1. **Creating a New Type of Temporary License for Nonprofit Fundraising Events.**

Prior to the 2008 repeal of Section 281-32.3, Hawaii Revised Statutes, as amended, it was the Commission's practice to administratively approve applications for nonprofit fundraising events (Nonprofit Special License), with the reduced submission requirements dictated by HRS Section 28-32.3. Following the inclusion of the Nonprofit Special License into the "standard" Class 10 Special license section, the Commission continued its practice of administrative approvals and reduced submission requirements for Nonprofit Special License applications, with the rare exception of applications with the potential for heightened public impact, which Commission administration would refer back to the Commission at a public hearing. Therefore, the proposed measure would not impact City and County of Honolulu applicants for Nonprofit Special Licenses, as the Commission does not subject the application process to increased requirements.

JOSEPH V. O'DONNELL  
CHAIRMAN

NARSI A. GANABAN  
CO-VICE CHAIR

MALAMA MINN  
CO-VICE CHAIR

DARREN Y.T. LEE  
COMMISSIONER

DUANE R. MIYASHIRO  
COMMISSIONER

FRANKLIN DON PACARRO, JR.  
ADMINISTRATOR

ANNA C. HIRAI  
ASSISTANT ADMINISTRATOR

2. Elimination of Commission Discretion for Certain Applications.

In this section, the proposed measure would eliminate the Commission's discretion in instances where an applicant is applying for a license for a premises or building location that had previously been denied, refused, or withdrawn. The Commission is given broad discretion at the initial application stage. Therefore, it is unclear why said discretion would be eliminated when reviewing a subsequent application for a premises or building location already unsuccessful in becoming a licensed premises. If the purpose of this proposed elimination is to efficiently evaluate a "second chance" application, Commission discretion in this area should be retained.

The Liquor Commission appreciates the opportunity to provide testimony on House Bill 2414, Relating to Intoxicating Liquor.

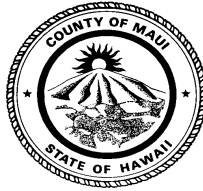
Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Franklin Don Pacarro, Jr.", written in a cursive style.

FRANKLIN DON PACARRO, JR.  
Administrator

FDP:ACH

ALAN M. ARAKAWA  
MAYOR



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**OFFICE OF THE MAYOR**  
Ke`ena O Ka Meia  
COUNTY OF MAUI – Kalana O Maui

February 2, 2018

TESTIMONY OF ALAN M ARAKAWA  
MAYOR  
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Friday, February 2, 2018, 2:00 p.m.  
Conference Room 329

HB2414 RELATING TO LIQUOR LICENSES.

Honorable Roy M. Takumi, Chair  
Honorable Linda Ichiyama, Vice Chair  
Honorable Members of the House Committee on Consumer Protection & Commerce

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Thank you for this opportunity to testify in **SUPPORT OF HB2414.**

The purpose of this bill is to require the liquor commission to streamline procedures to provide for the issuance of temporary licenses for the sale of liquor for a period not to exceed one day for fundraising events by nonprofit organizations.

Currently, in Maui County, there is a very onerous process for non-profit organizations to get a one day special liquor license for their fundraising events. It has been difficult that several large events were either cancelled or were unable to serve liquor which cost them 5 digits of income.

I would also like to suggest that there be language to allow the non-profits to offer at live or silent auction the ability to auction off liquor (closed bottles/cans) or services that provide liquor, i.e., whale watch cruises that provide liquor as part of the tour. Currently, several non-profits were denied that option and, again, lost several dollars in income.

**I strongly urge you to pass HB2414.**

Sincerely,

Alan M. Arakawa  
Mayor, County of Maui

**HB-2414**

Submitted on: 2/2/2018 10:31:46 AM

Testimony for CPC on 2/2/2018 2:00:00 PM

**LATE**

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mike Molina	County of Maui	Support	No

Comments:

**HB-2414**

Submitted on: 2/2/2018 12:38:53 PM

Testimony for CPC on 2/2/2018 2:00:00 PM



Submitted By	Organization	Testifier Position	Present at Hearing
Dawn Bicoy		Support	No

Comments:

Aloha Chair Takumi, Vice Chair Ichiyama and Respected Committee Members,

My name is Dawn Bicoy, and I currently serve on the Maui County Liquor Commission. Thank you for the opportunity to testify, I am testifying as an individual commissioner.

I am in **FULL SUPPORT** of House Bill 2414.

I want to thank the legislators who took the time to understand our community's concerns and drafted a reasonable solution to issues in particular, that have recently arisen in Maui County.

To provide the most optimum service to the public, and to achieve the highest level of performance by the Maui County Department of Liquor Control, we should encourage behaviors that model the core values and ethics of our Maui County policies, which reflect the values of our community. Stakeholders (both internally and externally) need to feel they can work with and within the framework provided, that will allow for continuing community partnerships and mutually aligned goals.

Public testimony has stated current administrative practices have been unclear and have not been conducive to the department's goal of "providing services in liquor license and permit applications" to applicants and current licensees. As a commissioner, I have asked to see measurable, solution oriented steps to be implemented to better manage these issues. Although compliance with laws, rules, regulations and procedures are in place, it is the interpretation of some laws that seem to have hindered the flow of service to the community, jeopardizing longstanding community partnerships, and undermining the trust towards this department resulting in confusion and concern by other departments, agencies, businesses, non-profits, media and most importantly the community at-large, whom it serves.

The emphasis and clarity Bill 2414 provides can serve the Maui County Department of Liquor Control well, and can help to provide a more conducive path forward in resolving some of the current issues.

Again, thank you for the opportunity to submit testimony,

Dawn Bicoy

Maunaloa, Molokai, Hawaii

Maui County Liquor Commissioner