

SB 2945

JAN 24 2018

A BILL FOR AN ACT

RELATING TO LIQUOR.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 281-45, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§281-45 No license issued, when.** No license shall be
4 issued under this chapter:

5 (1) To any minor or to any person who has been convicted
6 of a felony and not pardoned, or to any other person
7 not deemed by the commission to be a fit and proper
8 person to have a license; provided that the commission
9 may grant a license under this chapter to a
10 corporation that has been convicted of a felony where
11 the commission finds that the corporation's officers
12 and shareholders of twenty-five per cent or more of
13 outstanding stock are fit and proper persons to have a
14 license;

15 (2) To a corporation the officers and directors of which,
16 or any of them, would be disqualified under paragraph
17 (1) from obtaining the license individually, or a



1 stockholder of which, owning or controlling twenty-
2 five per cent or more of the outstanding capital
3 stock, or to a general partnership, limited
4 partnership, limited liability partnership, or limited
5 liability company whose partner or member holding
6 twenty-five per cent or more interest of which, or any
7 of them would be disqualified under paragraph (1) from
8 obtaining the license individually; provided that for
9 publicly-traded companies or entities ultimately
10 solely owned by a publicly-traded company, only the
11 officers and directors designated as primary decision-
12 makers shall be considered to determine
13 disqualification under paragraph (1);

14 (3) Unless the applicant for a license or a renewal of a
15 license, or in the case of a transfer of a license,
16 both the transferor and the transferee, present to the
17 issuing agency a tax clearance certificate from the
18 department of taxation [~~and from the Internal Revenue~~
19 ~~Service~~] showing that the applicant or the transferor
20 and transferee do not owe the state [~~or federal~~
21 ~~governments~~] government any delinquent taxes,



1 penalties, or interest; or that the applicant, or in
2 the case of a transfer of a license, the transferor or
3 transferee, has entered into an installment plan
4 agreement with the department of taxation [~~and the~~
5 ~~Internal Revenue Service~~] for the payment of
6 delinquent taxes in installments and that the
7 applicant is or the transferor or transferee is, in
8 the case of a transfer of a license, complying with
9 the installment plan agreement; provided that when the
10 applicant or the transferor or transferee, in the case
11 of a transfer of a license, is validly challenging a
12 tax assessment, penalty, or other proceeding that
13 prevents the issuance of a signed certificate from the
14 appropriate federal or state tax agency, the
15 commission shall issue a license that is valid for the
16 period of time necessary to resolve the challenge;

17 (4) To an applicant for a class 2, class 4 except for
18 convenience minimarts, class 5, class 6, class 11,
19 class 12, class 13, class 14, class 15, class 17, or
20 class 18 license unless the applicant for issuance of
21 a license or renewal of a license, or in the case of a



S.B. NO. 2945

1 transfer of a license, both the transferor and the
 2 transferee, present to the issuing agency proof of
 3 liquor liability insurance coverage in an amount of
 4 \$1,000,000; or

5 (5) To any applicant who has had any liquor license
 6 revoked less than two years previous to the date of
 7 the application for any like or other license under
 8 this chapter."

9 SECTION 2. Statutory material to be repealed is bracketed
 10 and stricken. New statutory material is underscored.

11 SECTION 3. This Act shall take effect upon its approval.

12

INTRODUCED BY: ~~SEN. A.C. Fitch - Agana~~

J. Filani

Anne Mercedes Ke



S.B. NO. 2945

Report Title:

Liquor; License; Tax Clearance

Description:

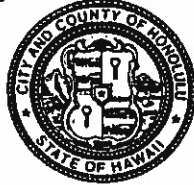
Eliminates the requirement that the applicant for a liquor license or a renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee produce either a tax clearance certificate from the Internal Revenue Service or proof of entering into an installment plan agreement with the Internal Revenue Service.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.



**LIQUOR COMMISSION
CITY AND COUNTY OF HONOLULU**

711 KAPIOLANI BOULEVARD, SUITE 600, HONOLULU, HAWAII 96813-5249
PHONE (808) 768-7300 or (808) 768-7333 • FAX (808) 768-7311
INTERNET ADDRESS: www.honolulu.gov/liquor • E-MAIL: liquor@honolulu.gov



KIRK CALDWELL
MAYOR

JOSEPH V. O'DONNELL
CHAIRMAN

NARSI A. GANABAN
CO-VICE CHAIR

MALAMA MINN
CO-VICE CHAIR

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DUANE R. MIYASHIRO
COMMISSIONER

FRANKLIN DON PACARRO, JR.
ADMINISTRATOR

ANNA C. HIRAI
ASSISTANT ADMINISTRATOR

March 19, 2018

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

Hearing: Tuesday, March 20, 2018
2:00 PM; Room 329

Position: Strong Support for SB 2945, Relating to Liquor

Dear Chair Takumi, Vice Chair Ichiyama, and Members:

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony in strong support of Senate Bill 2945, Relating to Intoxicating Liquor.

As you are aware, liquor regulation in the state of Hawaii is home rule-based, with regulatory oversight assigned to four (4) county liquor commissions. The approximate number of licensees regulated by each county commission are City and County of Honolulu (1,400+); Hawaii (400+); Kauai (200+); and Maui (400+). Each of these liquor licenses have a term of July 1 to June 30 the following year, with license renewals being conducted in the final quarter of the license year. In order to obtain the renewed license, current state law requires that the licensee present

... a tax clearance certificate from the department of taxation and from the Internal Revenue Service showing that the applicant ... do not owe the state or federal governments any delinquent taxes, penalties, or interest; or that the applicant ... has entered into an installment plan agreement with the department of taxation and the Internal Revenue Service for the payment of delinquent taxes in installments and that the applicant is ... complying with the installment plan agreement; ...

Section 281-45(3), Hawaii Revised Statutes, as amended. To the best of our knowledge and belief, the state of Hawaii is the only liquor jurisdiction that directly ties license renewal to the tax clearance requirement, as opposed to a taxpayer's responsibility being independent of the act of obtaining a renewed liquor license.

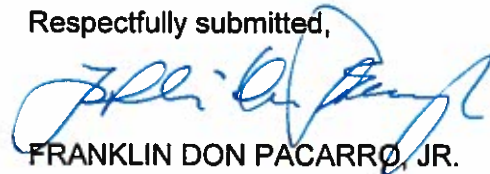
As the Internal Revenue Service (IRS) has faced increasing budgetary and resource challenges over the past 3-4 years, Hawaii licensees have experienced the loss of IRS offices, decreased IRS personnel, and decreased IRS operating hours when renewing their liquor

licenses. This past June was a licensee tax clearance month of typical and recurring difficulty, with our licensees experiencing breaks in service largely due to the inability of the IRS to accommodate required face-to-face appointments with licensees unable to qualify for pre-clearance by mail. Only last week at our February 8, 2018 hearing, one well-known restaurant licensee with multiple locations in Honolulu was required to fly to the Hilo office in order to resolve its tax clearance issues, before returning to Honolulu that same day to effect its licenses after suffering a five-day break in service. This was due to the licensee's inability to obtain an appointment with the Honolulu office earlier than weeks later.

To be fair, outreach to the IRS through the Small Business Administration – Office of the National Ombudsman did result in some relief to our licensees, via the ability to use Hawaii Compliance Express to facilitate the tax clearance procedure online. However, we submit that the IRS has sufficient enforcement ability to ensure taxpayer compliance independent of the license renewal process, and we support its elimination. It appears contrary to the goal of efficient and complete collection of taxes to cut off a licensee's principal source of revenue in order to enforce payment of a tax obligation.

The Liquor Commission appreciates the opportunity to provide testimony on Senate Bill 2945, Relating to Liquor, and urge your favorable action on this measure.

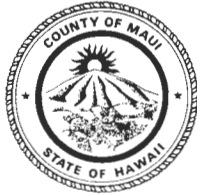
Respectfully submitted,



FRANKLIN DON PACARRO, JR.
Administrator

FDP:ACH

ALAN M. ARAKAWA
MAYOR



GLENN MUKAI
DIRECTOR

GEORGETTE C.R. TYAU
DEPUTY DIRECTOR

DEPARTMENT OF LIQUOR CONTROL
C O U N T Y O F M A U I

2145 KAOHU STREET, ROOM 105 • WAILUKU, MAUI, HAWAII 96793
PHONE (808) 243-7753 • FAX (808) 243-7558

March 19, 2018

Rep. Roy M. Takumi, Chair
Committee on Consumer Protection & Commerce
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Roy M. Takumi and Honorable Members of the Committee on Consumer Protection & Commerce:

Senate Bill SB2945, Relating to Liquor

The Department of Liquor Control, County of Maui, supports SB 2945, which eliminates the Federal tax clearance requirement.

The Federal tax clearance requirement causes undue hardship, costs, and delay for liquor license applicants from obtaining their liquor license.

The Internal Revenue office on Maui is open one day a week and at times only half day a week. Applicants are required to have appointments. Appointments are for half hour intervals and only one application is allowed for review, additional half hour appointments must be made for each additional application. Many liquor license applicants reported that it is a challenge to obtain an appointment due to the Internal Revenue Service office having only one agent and have been closed on numerous occasions due to staff shortage. IRS indicated it has no plans to provide additional staff support nor extend hours of operations at its Maui office.

Applicants who are unable to obtain appointments, are obtaining or given appointments, if available, on the island of Oahu or Hawaii to obtain their IRS tax clearance. Not for profit organizations reported they had to cancel or curtail its fundraising events since the Maui IRS office was closed for several weeks.

Rep. Roy M. Takumi, Chair
Committee on Consumer
Protection & Commerce
March 19, 2018
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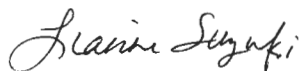
Many applicants are unable to renew their liquor license due to the unavailability of appointments at the IRS office on Maui to obtain their federal tax clearance. The IRS office has been closed and the lone agent was not available during the critical time of the liquor license renewal period. Applicants that fail to renew their license is required to cease all liquor sales while they apply for a new liquor license.

An applicant was reported to charter a plane to make her appointment on the Big Island to obtain her Federal tax clearance so she was able to meet the deadline to renew her liquor license. An attorney reported he was required to fly to Big Island on two occasions to obtain the federal tax clearance for his clients and numerous other licensees reported they had to obtain appointments at the IRS offices on Oahu and the Big Island since appointments at the Maui IRS office were not available. Several reported they were unable to obtain appointments, thus, their liquor license could not be renewed and expired.

This bill will eliminate the undue hardship and costly expenses that liquor license applicants are experiencing.

The Department of Liquor Control requests your support of and pass SB2945.

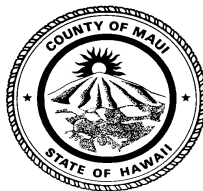
Mahalo,



GLENN MUKAI
Director

for

ALAN M. ARAKAWA
MAYOR



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

March 19, 2018

TESTIMONY OF ALAN M ARAKAWA
MAYOR
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Tuesday, March 20, 2018; 2:00PM
Conference Room 329

SB2945 RELATING TO LIQUOR.

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

Thank you for this opportunity to testify in **SUPPORT OF SB2945.**

The purpose of this bill is to eliminate the requirement that the applicant for a liquor license or a renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee produce either a tax clearance certificate from the Internal Revenue Service or proof of entering into an installment plan agreement with the Internal Revenue Service.

The Internal Revenue office on Maui is open one day a week and at times half day a week. Applicants are required to have appointment. Appointments are for half hour and only one application will be reviewed, and additional half hour appoint must be made for any additional application. Many liquor license applicants reported that it is a challenge to obtain an appointment due to the Internal Revenue Service office have only one agent and have been closed on numerous occasions due to staff shortage; at times more than two months closure. The IRS indicated it has no plans to provide additional staff support nor extend hours of operations at its Maui office.

Applicants who are unable to obtain appointments, are obtaining or given appointments, if available, on the island of Oahu or Hawaii to obtain their IRS tax clearance. Not for profit organizations have reported that they have had to cancel or curtail its fundraising events since the Maui IRS office was closed for several weeks.

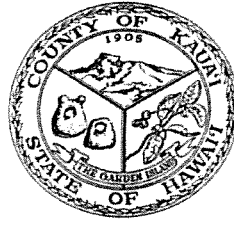
The Federal tax clearance requirement prevents or causes undue hardship, costs, and delay for liquor license applicants from obtaining their liquor license.

I strongly urge you to pass SB2945.

Sincerely,

Alan M. Arakawa
Mayor, County of Maui

Bernard P. Carvalho Jr.
Mayor



Gerald T. Rapozo
Director

Wallace G. Rezentes Jr.
Managing Director

DEPARTMENT OF LIQUOR CONTROL

County of Kaua'i, State of Hawai'i

4444 Rice Street, Suite 120, Līhu'e, Hawai'i 96766
TEL (808) 241-4966 FAX (808) 241-6585

March 19, 2018

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

Hearing: Tuesday, March 20, 2018
2:00 p.m.; Room 329

Position: Strongly Support SB 2945 Relating to Liquor

Dear Chair Takumi, Vice Chair Ichiyama and Members:

The Department of Liquor Control, County of Kauai, strongly supports Senate Bill 2945 relating to Liquor.

Currently, all liquor license applicants and those renewing their licenses annually are required to submit tax clearances from both the State of Hawaii Department of Taxation (DoTax) and the Internal Revenue Service. Obtaining those clearances from the Internal Revenue Service (IRS) has been difficult for licensees and applicants in the County of Kauai.

Unlike the neighbor islands, Kauai does not have a local IRS office. Our applicants and licensees need to obtain an appointment on Oahu to meet with the IRS. This appointment is made after waiting a long time, sometime 2 hours, on the phone to finally speak to a person. The phone call is only to get an appointment and not for questions. On two occasions, I have had the privilege to speak to someone from the IRS after frustrated licensees have come to our office pleading for help. On both occasions, the person at the IRS had no idea what a tax clearance for a liquor license was. Hawaii is one of the few States that require IRS tax clearances for liquor licenses.


In comparison, we have never received any complaints from our licensees about the State Department of Taxation. On Kauai, the local DoTax office staff are very professional and helpful to both the Department of Liquor Control and our licensees.

An Equal Opportunity Employer

The Department of Liquor Control, County of Kauai urges you to support Senate Bill 2945, Relating to Liquor.

Thank-you for the opportunity to testify on this matter.

Respectfully Submitted,


GERALD T. RAPOZO
Director



COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Roy M. Takumi, Chair
Rep. Linda Ichiyama, Vice Chair

Rep. Henry J.C. Aquino	Rep. Calvin K.Y. Say
Rep. Ken Ito	Rep. James Kunane Tokioka
Rep. Aaron Ling Johanson	Rep. Ryan I. Yamane
Rep. Matthew S. LoPresti	Rep. Bob McDermott
Rep. John M. Mizuno	

NOTICE OF HEARING

DATE: Tuesday, March 20, 2018
TIME: 2:00 P.M.
PLACE: Conference Room 329

TESTIMONY OF THE OCEAN TOURISM COALITION IN SUPPORT SB2945

Chair Takumi, Vice Chair Ichiyama and Members of CPC

My name is James E. Coon, President of the Ocean Tourism Coalition (OTC),
speaking in Support of SB 2945 Relating to Liquor.

The OTC represents over 300 small ocean tourism businesses state wide. All of them operate from State Boating Facilities managed by DLNR/DOBOR. Many of these companies have liquor licenses. Most of these are family businesses which are locally owned and operated. Many of them have been in business for several decades and are an important and valued part of their respective communities.

The current problem with obtaining the IRS Tax Clearance is that the Maui IRS Office has shut down and it is very difficult to get the IRS Clearance. Companies need to go to Oahu to get clearance there. This is a serious hardship for our members and we support this important change in the law. Hawaii is one of the few if not the only State in America that requires IRS Clearance for a liquor license.

Please pass SB 2945 and remove this onerous provision from the rules.

Sincerely,

James E. Coon, President OTC



Maui Hotel & Lodging

ASSOCIATION

Testimony of

Lisa H. Paulson

Executive Director

Maui Hotel & Lodging Association

on

SB 2945

Relating To Liquor

COMMITTEE ON CONSUMER PROTECTION AND COMMERCE

Tuesday, March 20, 2018, 2 pm

Conference Room 329

Dear Chair Takumi, Vice Chair Ichiyama and Members of the Committee,

The Maui Hotel & Lodging Association (MHLA) is the legislative arm of the visitor industry. Our membership includes 185 property and allied business members in Maui County – all of whom have an interest in the visitor industry. Collectively, MHLA's membership employs over 25,000 residents and represents over 19,000 rooms. The visitor industry is the economic driver for Maui County. We are the largest employer of residents on the Island - directly employing approximately 40% of all residents (indirectly, the percentage increases to 75%).

MHLA is **in support of SB 2945**, which eliminates the requirement that the applicant for a liquor license or a renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee produce either a tax clearance certificate from the Internal Revenue Service or proof of entering into an installment plan agreement with the Internal Revenue Service.

MHLA believes that this measure would streamline the process in obtaining or renewing a liquor license. Currently, Hawaii is the only state to require federal tax clearance for liquor license applications and renewals and therein lies the source of much frustration.

For example, The Internal Revenue office on Maui is open only one day a week and at times half day a week. Liquor license applicants must have an appointment to receive their tax clearance which is a challenge to obtain due to the Internal Revenue Service office only having one agent and being closed on numerous occasions due to staff shortage. The IRS indicated it has no plans to provide additional staff support nor extend hours of operations at its Maui office. This situation has caused many of our Maui businesses having to obtain appointments with the IRS offices on Oahu or Hawaii to receive their IRS tax clearance.

I urge you to pass this important measure.

Thank you for the opportunity to testify.



The following is a list of members represented by Maui Hotel & Lodging Association:

Property Members

Andaz Maui
Aston at the Whaler on Kā'anapali Beach
Aston Kā'anapali Shores
Aston Mahana at Kā'anapali
Best Western Pioneer Inn
Destination Maui Vacation Rentals
Destination Residences Hawai'i
Fairmont Kea Lani, Maui
Four Seasons Resort Lāna'i
The Lodge at Koele, A Four Season Resort
Four Seasons Resort Maui at Wailea
Grand Wailea Resort
Hana Kai Maui Resort
Honua Kai Resort & Spa
Hotel Molokai

Hotel Wailea Maui
Hyatt Regency Maui Resort & Spa
Hyatt Residence Club, Kā'anapali Beach
Kā'anapali Beach Club
Kā'anapali Beach Hotel
Kahana Falls
Lāhaina Shores, Classic Resorts
Mana Kai Maui
Marriott's Maui Ocean Club
Maui Beach Hotel
Maui Coast Hotel
Maui Condo & Home, LLC
Maui Eldorado Kā'anapali by Outrigger
Mauiian Hotel, The
Montage Kapalua Bay

Napili Kai Beach Resort
Napili Shores Resort by Outrigger
Plantation Inn
Residence Inn Maui Wailea
Ritz-Carlton Kapalua
Royal Lāhaina Resort
Sheraton Maui Resort & Spa
Travaasa Hana
Wailea Beach Marriott Resort & Spa
Wailea Point
Westin Kā'anapali Ocean Resort Villas
Westin Maui Resort & Spa
Westin Nanea Ocean Villas
Maui Beach Ocean View Rentals, LLC

Allied Members

21st. Century Group
A&B Properties
AA Oceanfront Rentals & Sales
Activities & Attractions Assn. of HI
Airbnb, Inc.
Akina Tours & Transportation
Alaska Airlines
Ali'i Linen Service
Allana Buick & Bers, Inc.
Aloha Visitor Guides
Aloha Waste Systems, Inc.
Altres, Inc.
American Airlines
American Hotel Register
American Resort Development
Association
Andaz Beach Crew
Anheuser-Busch Sales of HI
Aqualani Recreation
Aubrey Hord Photography LLC
Bank of Hawai'i
BELFOR Property Restoration
Bev Gannon Restaurants
Blue Hawaiian Helicopters
Carlsmith Ball
Castaway Construction & Restoration
Central Pacific Bank
Chrysalis Events Hawai'i
Clean Island Breathing LLC
Cleaners Warehouse
Condominium Rentals Hawai'i
Doctors on Call
Dorvin D. Leis Co., Inc.
Embassy Carpets
ENPRO Environmental
Enterprise|Alamo|National Car Rental
Eskimo Candy Inc.
Expedia Local Experts
Expeditions
Ferguson Enterprises, Inc.
First Hawaiian Bank
Ganir & Co. Pacific Rim Commercial Svc.
Gilbert & Associates, LLC
Happy Valley Service
Hawai'i Care & Cleaning
Hawai'i Energy
Hawai'i Executive Transportation Service
Hawai'i Pacific Solar
Hawai'i Petroleum Inc.

Haynes Publishing Group
Heidi & Cook LLC
He-Man Landscaping & Tree Services
HFM Foodservice
HMSA
Home Maid Bakery
Honua Kai Condominium Association
Integrated Business Solutions of Hawai'i
Island Movers
Johnson Controls, Inc.
Kā'anapali Beach Resort Association
Kā'anapali Golf Courses
Kā'anapali Operations Association Inc.
Kahului Carpet & Drapery Products Inc.
Kapalua Golf and Tennis
Kōkua 'Āina Energy Partners, LLC
KONE Elevators & Escalators
Landmark Hotels Group
Layton Construction Company, LLC
Maui Chemical and Paper Products, Inc.
Maui Disposal Co., Inc.
Maui Dive Shop
Maui Electric Company
Maui Linen Supply, LLC
Maui Ocean Center
Maui Printing Company
Maui Soda & Ice Works, Ltd.
Maui Windows & Doors, LLC
MD Restoration Maui
Meadow Gold Dairies
Munekiyō Hiraga
Native Hawaiian Hospitality Association
NETT Distribution, LLC
Next Level Entertainment, LLC
Oahu Publications, Inc.
Old Lāhaina Lū'au
Pacific Biodiesel Logistics
Pacific Dream Photography
Pacific Media Group
Pi'iholo Ranch Zipline
Pono Communications, LLC
Premier Restoration Hawai'i
ProService Hawai'i
Pūlama Lāna'i
PWC Hawai'i Corporation
Pyramid Insurance Centre, Ltd.
Queen Ka'ahumanu Shopping Center
Ruth's Chris Steak House
Securitas Security Services USA

SGS Hawai'i Inc. Landscape Management
Soleil Management Hawai'i
Spectrum
Standard Parking
Sun Fresh Hawai'i LLC
Surfing Goat Dairy
The Beast & Spoon LLC
The Orchid Lei Company
The Outlets of Maui
The Shops at Wailea
ThyssenKrupp Elevator Americas
TravelClick
Trilogy Excursions
Tri-Star Restaurant Group
TS Restaurants
University of Hawai'i Maui College
VIP Foodservice
VivoAquatics
Wailea Golf, LLC
Wailea Resort Association
Wash Laundry Systems
Whalers Village Fine Shops & Restaurants
Where Hawai'i, Morris Visitor
Publications
Xclusive Staffing
Xerox Corp Maui
Young Brothers, LTD.
Hawaii AgriTourism Association
Hawaiian Airlines
Hospitality Advisors
Maui Chamber of Commerce
West Maui Taxpayer's Association

Anthony P. Takitani
Gilbert S.C. Keith-Agaran
David M. Jorgensen

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Joseph L. Wildman
Of Counsel

TAKITANI, AGARAN & JORGENSEN

A Law Partnership

March 19, 2018

**VIA E-MAIL (senbaker@capitol.hawaii.gov)
AND FACSIMILE (808 586-6071)**

Senator Rosalyn H. Baker, Chair
Senator Jill N. Tokuda, Vice Chair
Committee on Commerce, Consumer Protection and Health
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Re: SB2945 Relating to Liquor

Aloha Senator Baker and Senator Tokuda:

My name is David M. Jorgensen and I'm with the Wailuku, Maui law firm of Takitani, Agaran & Jorgensen. I'm submitting this letter to express strong support for SB 2945 Relating to Liquor.

Applicants for liquor licenses currently are required under State law to submit Federal and State tax clearances and, if the application is for a transfer of a license, tax clearances are required from both the transferee and the transferor. The problem is that the Internal Revenue Service office on Maui is only open one day a week and sometimes not at all for weeks at a time. I do a fairly large amount of work for restaurants and bars and I've had to fly to Oahu or Hilo several times to obtain federal tax clearances.

This obviously costs the client a lot more money and takes all day to make the trip. And I'm aware of some situations where a liquor licensee was unaware of the problem and was not able to obtain their tax clearance in time, so their license expired and they had to start over from scratch to get a new license.

I hereby request your support of SB2945 to help eliminate the confusion, frustration, undue hardship and great expense to applicants for liquor licenses. Thank you for your time and consideration on this matter.

Sincerely,


DAVID M. JORGENSEN