

Honolulu, Hawaii

FEB 28 2019

RE: S.B. No. 638  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2019  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 638, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIQUOR,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Add unlicensed sale of liquor and unlicensed manufacture of liquor as offenses for which property is subject to forfeiture and increases the grade of the offense of unlicensed sale of liquor to a class C felony; and
- (2) Amend definitions of "organized crime" and "racketeering activity" to include the unlicensed sale of liquor.

Your Committee received testimony in support of this measure from the Department of the Prosecuting Attorney of the City and County of Honolulu.

Your Committee finds that an ongoing problem in several communities across the State is the sale of liquor by unlicensed operators or entities that are not under the jurisdiction of the liquor control agencies. Liquor control agencies are restricted from executing compliance checks on establishments without liquor licenses. The reportedly widespread unlicensed sale of liquor on



private properties within the State, if true, undermines the mission of liquor control agencies to control the sale of liquor.

Your Committee further finds that under existing law, the penalty for the misdemeanor offense of unlicensed manufacture or sale of liquor is a fine of not more than \$2,000, imprisonment for not more than one year, or both. This measure attempts to deter future illegal liquor sales not occurring under the oversight of liquor control agencies by increasing the consequences of subsequent conviction and allowing greater latitude to judges in their sentencing options.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 638, S.D. 1, and recommends that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



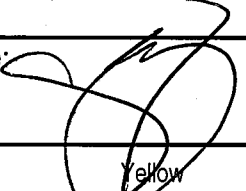
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KARL RHOADS, Chair



The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Judiciary**  
**JDC**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 638, SD1	CPH, JDC	2/22/19		
<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 checked="" type="checkbox"/> Pass, unamended 2312	<input type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
RHOADS, Karl (C)	✓			
WAKAI, Glenn (VC)	✓			
GABBARD, Mike	✓			
KIM, Donna Mercado	✓			
FEVELLA, Kurt				✓
<b>TOTAL</b>	4	<del>0</del>	<del>0</del>	1
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes