

CITY COUNCIL
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 202
HONOLULU, HAWAII 96813-3065
TELEPHONE: (808) 768-5010 • FAX: (808) 768-5011

March 12, 2019

The Honorable Chris Lee, Chair
The Honorable Joy A. San Buenaventura, Vice Chair
and Members of the Committee on Judiciary
415 South Beretania Street, Conference Room 325
Honolulu, HI 96813

Subject: SB 638, SD1, Relating to Liquor
Hearing: Thursday, March 14, 2019, at 2:00 p.m.

This testimony is to convey my strong support for SB 638, SD1. The Honolulu City Council adopted Resolution 17-280, CD-1, which urged the Legislature to enact legislation found in SB 638, SD1. This measure helps address an ongoing community problem associated with the sale of liquor at "private" clubs that are not under the jurisdiction of the Liquor Commission. This measure increases the penalty for the unlicensed sale of liquor to a class C felony, and adds the unlicensed sale of liquor as an offense for which property is subject to forfeiture, includes unlicensed sale of liquor in the definitions of "organized crime" and "racketeering activity."

Currently, under Hawaii Revised Statutes section 281-101 the penalty for the 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 penalty has reportedly been described as "a slap on the wrist" and "merely a cost of doing business" for businesses illegally selling liquor without a proper license from the Honolulu Liquor Commission.

The amendments in this bill give the law "teeth," providing stiffer penalties and creating more of a deterrent against operating without any oversight or regulation from the Liquor Commission.

Thank you for allowing me the opportunity to submit testimony. For the foregoing reasons, I respectfully request your passage of SB 638, SD1.

Sincerely,

A handwritten signature in black ink, appearing to read "Brandon Elefante", is written over a circular stamp or seal.

Brandon Elefante
Councilmember, District 8

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/lig • E-MAIL: liquor@honolulu.gov



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March 12, 2019

The Honorable Chris Lee, Chair
The Honorable Joy A. San Buenaventura, Vice Chair
and Members of the Committee on Judiciary

House of Representatives
State Capitol, Room 325
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Lee, Vice Chair San Buenaventura, and Members of the Committee:

SUBJECT: Senate Bill 638 SD1
Relating to Liquor

The Liquor Commission, City and County of Honolulu, (Commission), appreciates the opportunity to submit testimony in **strong support** of the above-referenced measure. Currently, there are businesses in Honolulu County that operate after-hours clubs and sell liquor without a license. Our experience has shown that businesses who sell liquor illegally are also conducting other illegal activities. By increasing the penalties to a felony, the proposed measure will deter the illegal sale of liquor, with a corresponding deterrence to other related and undesirable activities.

We are in strong support of this bill as it will not penalize an unwitting server or an owner who inadvertently was late in its license renewal. Instead, it will address the growing problem of illicit businesses operating outside of the established liquor laws and becoming a blight on the surrounding communities.

We also are in strong support of the addition of unlicensed sale of liquor to the covered offenses subject to forfeiture, and to the definitions of "Organized crime" and "Racketeering activity" because it provides law enforcement with another tool to prosecute these types of activities.

Thank you for the opportunity to testify.

Sincerely,


Franklin Don Pacarro, Jr.
Administrator

FDPjr:PHN:ACH

SB-638-SD-1

Submitted on: 3/12/2019 3:54:42 PM

Testimony for JUD on 3/14/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tricia Nakamatsu	Department of the Prosecuting Atty, City & County of Honolulu	Support	Yes

Comments:

POLICE DEPARTMENT
CITY AND COUNTY OF HONOLULU

801 SOUTH BERETANIA STREET · HONOLULU, HAWAII 96813
TELEPHONE: (808) 529-3111 · INTERNET: www.honolulu-pd.org



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OUR REFERENCE WO-KK

March 14, 2019

The Honorable Chris Lee, Chair
and Members
Committee on Judiciary
House of Representatives
Hawaii State Capitol
415 South Beretania Street, Room 325
Honolulu, Hawaii 96813

Dear Chair Lee and Members:

SUBJECT: Senate Bill No. 638, S.D. 1, Relating to Liquor

I am Walter Ozeki, Acting Major of the Criminal Investigation Division of the Honolulu Police Department (HPD), City and County of Honolulu.

The HPD supports Senate Bill No. 638, S.D. 1, Relating to Liquor.

The HPD has long recognized the problems created by persons or establishments that participate in the unlicensed manufacture or sale of liquor. The full impact of these problems extend far beyond just the obvious fact that they are able to operate unregulated with no concern or regard towards complying with regulations that govern the legal service of liquor. The bigger impact to the community results from the illegal activity and disruptive behavior that these establishments attract to our neighborhoods.

Unlicensed liquor sales encourage under aged consumption of liquor and provides an attractive venue for the distribution of other illegal substances and other illegal activity. Further impacts to our community include the accompanying noise, nuisance complaints, and other acts of violence and destruction resulting from unlicensed liquor sales.

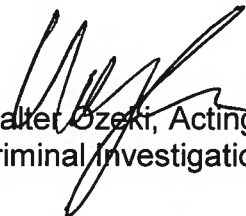
The Honorable Chris Lee, Chair
and Members
March 14, 2019
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The classification of unlicensed manufacture or sale of liquor as a misdemeanor does little to deter this activity and provides little in the way of investigative tools available to police to combat this illegal activity. By reclassifying this offense to a Class C felony, including it as a covered offense for forfeiture purposes and by adding it to the class of organized criminal activities under Hawaii Revised Statute Chapter 842, you provide a true deterrence where the financial rewards no longer outweigh the potential risks and punishments associated with the commission of this offense.

The HPD urges you to support Senate Bill No. 638, S.D. 1, Relating to Liquor.

Thank you for the opportunity to testify.

Sincerely,



Walter Ozeki, Acting Major
Criminal Investigation Division

APPROVED:



Susan Ballard
Chief of Police

SB-638-SD-1

Submitted on: 3/12/2019 7:12:40 PM

Testimony for JUD on 3/14/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gerard Silva	Individual	Oppose	No

Comments:

This State is becoming more and more Crooked, what is the reason for this Law other than Making criminals out of law abiding people. Many family's Make wine and bear and okolehow this law would make them criminals. Stop Fucking the people be for there will be no chouce but to fight back.

SB-638-SD-1

Submitted on: 3/12/2019 9:13:31 PM

Testimony for JUD on 3/14/2019 2:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
David Fukuzawa	Individual	Oppose	No

Comments:

Dear Honorable Legislative Members,

This bill is unwarranted. The federal government already controls this through the Alcohol, Tobacco, Firearm Agency. Making a state law is redundant. Also manufacturing of liquor is not necessary illegal unless it is for sale. People can make their own beer, wine, and spirits for personal use. The way the law is worded it makes it sound as though sale is one aspect and manufacturing is another. They need to be together and go hand in hand to be considered illegal.

Thank You.

David Fukuzawa