

DAVID Y. IGE  
Governor

JOSH GREEN  
Lt. Governor



PHYLLIS SHIMABUKURO-GEISER  
Chairperson, Board of Agriculture

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Deputy to the Chairperson

State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
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**TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEE ON FINANCE**

**FEBRUARY 24, 2020  
12:00 P.M.  
CONFERENCE ROOM 308**

**HOUSE BILL NO. 2552, HOUSE DRAFT 1  
RELATING TO INTOXICATING LIQUOR**

Chairperson Luke and Members of the Committee:

Thank you for the opportunity to testify on House Bill 2552, HD 1. This measure amends Section 281-59 (hearing for a license before the liquor commission) by exempting applications for a Class 1 Manufacturer License of liquor from a required refusal to grant approval by the applicable liquor commission when a majority of the registered voters within 500 feet of the premises for which the license is asked, or the owners/lessees of record of real estate or shares in a cooperative apartment with the same distance requirement object to the granting of the license. Applicants for this exemption from notification must show that the land on which the proposed Manufacturers License is to be located is designated as agricultural by State or county zoning and the majority of the agricultural products used in the manufacturing of the liquor are grown and produced in the State by the license holder.

DOA supports the manufacture of value-added products made from agricultural products grown in Hawaii. Otherwise, the Department defers to the counties' liquor commissions.

Thank you for the opportunity to testify on this measure.





LBD COFFEE, LLC

To: The Honorable Sylvia Luke, Chair  
and Members of the House Committees on Finance

Date: Monday, February 24, 2020

Time: 12:00 p.m.

Place: Conference Room 308, State Capitol  
415 South Beretania Street  
Honolulu, Hawaii 96813

From: Tai Erum, Trevyn Pless, Les Drent  
for LBD Coffee, LLC

Re: HB 2552 (Relating to Agriculture)

Dear Representative Luke, and the House Committee on Finance,

LBD Coffee, LLC **SUPPORTS** HB 2552 and we respectfully request that the House Bill be amended to adopt the language contained in SB 2975 SD1. The Senate Bill was amended at the request of the Honolulu Liquor Commission to add clarity and parity with the other sections of the HRS defining agricultural commodities.

It is our belief that farmers operating on land zoned for agricultural use should be exempt from the mandatory refusal section (51% majority) of HRS 281-59, and should have the right to mash, ferment, and distill their crops even if non farming neighbors oppose an agricultural activity that dates back to the founding days of our nation.

Please amend the HRS and empower the County Liquor Commissions to grant licenses to farmers seeking a liquor manufacturing permit if the majority of the agricultural commodities used in the manufacturing of the liquor are grown and produced in the State by the applicant. It certainly appears that this type of farming and economic activity is protected under HRS 165 and the right to farm in Hawaii when all other Federal, State, and County requirements have been satisfied.

Thank you for the opportunity to testify.

Sincerely,

Tai Erum  
Operations Manager

Trevyn Pless  
Farm Manager

Les Drent  
Owner

**LBD Coffee, LLC**

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**LATE**

**HB-2552-HD-1**

Submitted on: 2/23/2020 4:35:11 PM

Testimony for FIN on 2/24/2020 12:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Muriel Morgan	Individual	Oppose	No

Comments:

Aloha Legislative Representatives,

2/22/20

I am OPPOSED to HB2552. We as a community proved this activity was not welcome in our Agriculture/residential community. I have researched this for over 2 years. I have done a lot of reaching out to our neighborhood community thru this process of trying to stop this kind of activity in our neighborhood. We own the 3 properties with 4 homes that my children and grandchildren live in, that is directly across the street from a class 1 applicant. Everybody I talked to, I encouraged them to research manufacturing and selling liquor. I was honest, I was not forceful or manipulating. As the investigator goes out to verify signatures, I hope he asks everybody for their opinion. In our case there are 4 ½ properties that didn't want to sign the petition out of 28. Our agricultural/residential neighborhood does not want this at all. Our peaceful neighborhood is on pins and needles with worry over this. I am so shameful to keep knocking on doors, but every time I talk to someone they are so thankful I am doing this. Please consider the immense opposition I received in our neighborhood.

1. have signatures from over 70% of property owners who are opposed to this in our front yards. Would you and your ohana want to live 100 feet from a manufacturing distillery and all the negative things that come with it. Smells of corn mash, noise pollution, environmental pollution, black mold, fugitive dust, excess carbons' in the air, fire hazard, more traffic on roads that don't have the integrity to handle what we have now. A decline in our property value is imminent. There is no benefit to our community! Maybe 1 job as admitted in testimony at previous hearings. Locals able to afford \$70.00 + a bottle. This bill is taking away our right to protect the health and welfare of our ohana and community by denying a majority rule. hope you have researched the impact on a residential community, especially those within 100-500ft of this project before you proposed this!! It is not so easy to just say agriculture Lots are exempt as some are directly across the street from or even joining residential lots. We pay a much higher land tax rate for our residential land then agricultural land does. Yes, farmers do have rights, but so do the tax paying residents that WLL be negatively impacted.

In our case our neighbor has never really tried to talk to us as a community, for over two years now. He has no respect for the law or his community, he says it in his own words

on his company website. Things like "I will admit openly breaking the County law. Call it my own act of civil disobedience. The bourbon would be included if permitted." "WE break the county law at our farm, but we don't advertise, or put signs out so they don't bother us I guess, for this farm we are going to wait on the commission, and court to rule ." or " Integrity has no need of rules" and "I think that we should be men first, and subjects afterward. It is not so desirable to cultivate a respect for the law, so much as for the right". This is a concern for our neighborhood community. His home page reads' The local bureaucrats and a few anxiety ridden neighbors living next to our Kapahi farm haven't been able to see past their unfounded fears to allow us to distill our Kauai grown corn into bourbon. With every federal, state, and county permit in hand except for the local Liquor Commission's we will have to wait until the Spring of 2019 to re-apply unless our appeal is heard by the fifth circuit court. The actions by the County Liquor Commission, and non farming neighbors living on agricultural land directly conflicts with our right to farm protected by both the State and Federal law. Unfortunately, the County of Kauai and its "nanny state" government has caved to the pressure applied by the Kauai "CAVE" (citizens against virtually everything) people. As a result, container loads of Kauai grown corn, and tobacco continue to leave the island for processing and production elsewhere. Not only has this been an easy, and simple solution, but it has yielded the finest Kauai grown bourbon and cigars! The left wing pleasure police never end up winning, and this farmer continues to hang his hat on the idiocy of others.

*"I've been beating Hawaii's "nanny state" bureaucracy since 1993. I'm confident that we will beat them again, and earn the right to distill our bourbon on our Kauai farm."*

**Les Drent, owner of LBD Coffee**

He has threatened neighbors. twice the joining property owners have chosen to sell instead of dealing with him. The planning dept. has had a restraining order against him. He has withdrawn multiple permit applications out of rage at commission meetings. He has blasted me and neighbors on social media and The Garden Island newspaper for using his own words against him at commission hearings. He testified at a commission hearing, when asked by a commissioner if his words are true that he would leave if the community really doesn't want him there". WE proved we didn't. This Bill will take away our right of a majority rule which is what our democracy is based on. I would have written sooner about this but was unaware of this Bill until now.

Our neighbor says he projected 60,000 750ml bottles being processed and bottled next harvest. Noise will be a problem for all of us in proximity, it's a metal warehouse. Traffic will be a nuisance, W/ business deliveries and pickups, disposing of 9800 pounds or more of mash a week, patrons in and out. Our roads do not have the integrity up there. They just redid them. It won't take long for the heavy trucks to tear them up.

"With the first release of Bourbon and Moonshine scheduled for August 2019, we jump started the 2019 season by planting a large amount of west side corn. A special 110 day Beck's hybrid whisky corn, We are estimating enough corn, nearly 2,500 bushels, to produce another 100 barrels of bourbon, as well as 10,000 cases of Moonshine. Yes, that is nearly sixty thousand 750mL bottles." That equates to 225-53-gallon barrels SO

MUCH FOR A SMALL OPERATION. I thought 4,000 gallon maturing at once was a lot in the first year, now it looks there could be many times that amount, besides what is being processed at that current time. That is a lot of flammable liquid a couple hundred feet away from at least 98 registered voters and their properties. What is the proof of barrels of bourbon and moonshine? What is the flashpoint for moonshine and/or bourbon? Lets not forget The Jim Beam Distillery fire that burned for days.

There are 2 leach fields which cannot be good for the environment with all the fungicides, insecticides, nematicides and other very unhealthy materials. Just washing their equipment is unhealthy for the environment, let alone the wastewater.

The corn to be processed is loaded with pesticides (Becks seeds).

BECKS SEEDS are coated with PONCO/VOTIVO – IT CONTAINS, 5 FUNGISIDES, 2 INSECTICIDES, 2 NEMATICIDES, 2 BIOLOGICALS, 1 BIO STIMULANT, 1 PLANT GROTH PROMOTER. Please refer to MSDS

The main component CLOTHIANIDIN- is a respiratory sensitizer to humans. which means it has a potential to give you an immunological response to the chemical, with an adverse allergic reaction over time. My daughter and husband suffer from asthma and allergies. My granddaughter has serious respiratory problems with Tricia malatia and a collapsed bronchial tube. Processing 140,000 pounds of this product will have an adverse effect on our environment and our health. Please put in perspective that there is about 30,000 plants per acre, our neighbor says he has 30 acres in total, counting the lots grown for him. and most likely more. 30 acres of corn yields 900,000 plants almost 1 million pesticide filled plants being processed within 500ft. of at least 98 registered voters and their families. Young and old!

If it wasn't dangerous, we wouldn't have colony collapse.

CLOTHIANIDIN is lethal to bees. It is of the Neonicotinoid family of systemic pesticides, which are taken up by the plants vascular system and expressed thru pollen, nectar and glutation droplets which bees eat and drink. This causes CCD Colony collapse disorder. It is lethal to bees and birds. IT is banned in France, Germany and Italy. Not HERE though, the big money seed companies arranged that.

In our case he buys part of his corn from other farmers. It is not grown by him it is grown for him. This Bill reads in part – If the majority of the agricultural products used in manufacturing of the liquor are GROWN AND PRODUCED IN THE STATE BY THE APPLICANT.

Another problem is the very real BLACK MOLD from ETHANOL, THE ANGELS SHARE. Referring to the gas that escapes from the aging barrels, there wouldn't be lawsuits if it wasn't a problem. Quoting MERRICK vs. DIAGEO The plaintiffs allege that "as a result of the accumulation of whiskey fungus caused by defendants. operation, plaintiffs and others similarly situated are required to expend an abnormal amount of

time and money cleaning surfaces in and around their property and that whiskey fungus and the extreme cleaning methods necessary for its removal cause early weathering of surfaces affected by the fungus.”

There are also higher levels of carbon dioxide in and around the distillery when fermentation is in process.

Fugitive emission will be emitted

EPA defines fugitive emissions as unintended emissions from facilities or activities (e.g., construction) that "could not reasonably pass through a stack, chimney, vent, or other functionally equivalent opening." In general, the decision whether to consider emissions as fugitive is a factual determination made by the state permitting agency on a case-by-case basis.

The following are examples of fugitive emissions and fugitive emissions sources:

- Dust
- Fine particles
- Aerosols
- Quarries
- Storage piles
- Leaks or releases from valves, pumps, compressors, flanges

If passed when our neighbor reapplies for the 3rd time for a class 1 license in our front yards, we as a neighborhood community will have the right of a majority rule taken away from us. At least 98 registered voters and their families. For 1 farmer. In our case his master plan is to turn his agricultural land into a faux farm amusement park with tours and tastings.

My complaint is not against my neighbor (this time), but I want you to know all the concerns of us that will be directly affected by this bill.

Thank you for your attention to this bill and all involved!

Bill HB2552 Exempting a Class 1 license from a majority rule would take away our right as a community to protect our own health and welfare.

I Muriel Morgan am OPPOSED TO Bill HB2552

Muriel Morgan

