

Mitchell D. Roth  
Mayor

Lee E. Lord  
Managing Director

Robert H. Command  
Deputy Managing Director



Gerald A. Takase  
Director

## County of Hawai'i

### Department of Liquor Control

Hilo Lagoon Centre, 101 Aupuni Street, Unit 230, Hilo, Hawai'i 96720-4261  
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January 26, 2022

The Honorable Rosalyn H. Baker, Chair  
The Honorable Stanley Chang, Vice Chair  
Members of the Committee on Commerce and Consumer Protection

The Senate  
State Capitol, Room 229  
415 South Beretania Street  
Honolulu, Hawai'i 96813


Dear Chair Baker, Vice Chair Chang and Members of the Committee:

Subject: Senate Bill 2125  
Relating to Liquor Licenses

The County of Hawai'i Department of Liquor Control supports the adoption of SB 2125. The current fine amount has stood at \$2000 since 1987. While this may seem like a sizeable amount, in today's environment, our Liquor Adjudication Board reaches this maximum rather quickly and is only left with the option of a suspension or revocation of the liquor license, which are very severe penalties.

Thus, we feel that SB 2125 provides a good solution to both problems: it increases the penalties to provide the Liquor Adjudication Board with additional fining power; but at the same time, it allows a greater fine range, which gives the Liquor Adjudication Board more leeway before they must impose the greater penalties of license suspension or revocation. That is why we feel the licensees should understand that this amendment as proposed in SB 2125 works in their favor as well.

Sincerely,

  
GERALD TAKASE  
Director

GT:de

# DEPARTMENT OF LIQUOR CONTROL

LEO SANDOVAL, DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR  
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of  
**Leo Sandoval**  
Director of Department of Liquor Control

Before the  
**Senate Committee on Commerce and Consumer Protection**  
Friday, January 28, 2022, at 9:30 AM  
Conference Room 229 & Videoconference

In consideration of  
**Senate Bill 2125**  
**Relating to Liquor Licenses**

Honorable Chair Baker, Honorable Vice Chair Chang, and Members of the Committee:

I write in **strong support** of SB 2125 Relating to Liquor Licenses which serves to increase the maximum allowable fine for violation of liquor control laws by a licensee from \$2000 to \$5000. The current fees have been in effect since 1987, and as we move into 2022, the alcoholic beverage industry continues to evolve. At the same time, the methods of distributing and dispensing alcohol have also evolved creating new alcohol related offenses which could have a direct nexus to the licensed locations that are directly regulated by each respective Liquor Commission or Department.

We feel that an increase in the penalty amount limit, would permit the Liquor Commission a reasonable range of fines to adjudicate violations of the Hawaii Liquor Laws or Rules of the Commission. Currently, the fine maximum of \$2000 does at face value appear to be high, however offenses that have the probability of repeating within a short period of time would reach the maximum fine limit quickly leaving the only option for the Commission as a suspension or revocation of the liquor license.

Thank you for the opportunity to testify in support of this measure and again, we are in **strong support** of SB 2125.

**SB-2125**

Submitted on: 1/26/2022 5:14:27 PM

Testimony for CPN on 1/28/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Franklin Don Pacarro, Jr., Administrator	Testifying for CCHNL Liquor Commission	Comments	No

Comments:

It is extremely difficult to support any legislation that imposes potential added financial hardship on our Honolulu County licensees in the current economic climate. That said, the Honolulu Liquor Commission ***does not oppose*** SB2125, nor does it disagree with the reasons in support of its passage as submitted by our neighbor island liquor commission colleagues. We will watch the progress of this measure with great interest, and plan to submit more definitive testimony for future committee hearings.



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### Executive Officers

**Charlie Gustafson**, Tamura Super Market, *Chair*  
**Eddie Asato**, Pint Size Hawaii, *Vice Chair*  
**Gary Okimoto**, Safeway, *Secretary/Treas.*  
**Lauren Zirbel**, HFIA, *Executive Director*  
**John Schliff**, Rainbow Sales and Marketing, *Advisor*  
**Stan Brown**, Acosta Sales & Marketing, *Advisor*  
**Paul Kosasa**, ABC Stores, *Advisor*  
**Derek Kurisu**, KTA Superstores, *Advisor*  
**Toby Taniguchi**, KTA Superstores, *Advisor*  
**Joe Carter**, Coca-Cola Bottling of Hawaii, *Immediate Past Chair*

TO: Committee on Commerce and Consumer Protection  
Senator Rosalyn H. Baker, Chair  
Senator Stanley Chang, Vice Chair



FROM: HAWAII FOOD INDUSTRY ASSOCIATION  
Lauren Zirbel, Executive Director

DATE: January 28, 2022  
TIME: 9:30am  
PLACE: Via Videoconference

RE: SB2125 Relating to Liquor Licenses

Position: Oppose

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers, and distributors of food and beverage related products in the State of Hawaii.

HFIA is in opposition to this measure to increase the maximum fine for violation of liquor control laws from \$2,000 to \$5,000. This amounts to an increase of 150% which is excessive and unnecessary. Our local retailers work hard to safely and responsibly supply their customers with age restricted products. Increasing the fine does not create an added deterrent, it just disincentivizes providing these products. A fine of the amount proposed in this measure would disproportionately impact small local retailers. A large chain could easily afford this, a small sole proprietor or family owned business may be forced to close, which is unfair. Instead of creating arbitrarily high fines we encourage the legislature to instead work with liquor retailers on positive programs, education, and community outreach in order to decrease violations. We thank you for the opportunity to testify.

**SB-2125**

Submitted on: 1/25/2022 12:03:12 PM

Testimony for CPN on 1/28/2022 9:30:00 AM

Submitted By	Organization	Testifier Position	Remote Testimony Requested
jason moore	Individual	Support	No

Comments:

In Re: SB 2125 Relating to Liquor License

As a resident of Waikiki, I have heard loud rooftop/pool deck parties at neighboring Hotels.

SECTION 1. This legislature finds that the liquor commissions or liquor control adjudication boards of each county are established to regulate the sale of liquor through the issuance of liquor licenses and the enforcement of laws and rules. Violations may include the sale of liquor to minors, the sale of liquor to highly intoxicated persons, or for **EXCESSIVE NOISE** emanating from liquor establishments such as bars and nightclubs.

I would hope that an increase in the violation fine would be a deterrent.

I'm not saying ALL hotels and ALL parties need to be policed or enforced, but the instances that warrant a fine by a designated "Investigator", should have a fee/fine that would be available to be issued if necessary.

YES... Increase the allowable fines from \$2,000 to \$5,000.

Thank you for all your hard work,

Jason Moore

Ohua Avenue

**SB-2125**

Submitted on: 1/25/2022 12:46:21 PM

Testimony for CPN on 1/28/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Samuel Mitchell	Individual	Support	No

Comments:

I support raising the fines so that Bar's will not let persons get to drunk.

**SB-2125**

Submitted on: 1/26/2022 1:35:58 PM

Testimony for CPN on 1/28/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Denise Boisvert	Individual	Support	No

Comments:

Dear Senators,

I thank you for this opportunity to submit testimony in FULL SUPPORT of SB2125.

It is disheartening that laws relating to liquor licenses are frequently and repeatedly broken; the results of which often lead to other types of crimes or unfortunate, unintended consequences.

I believe that the increased fine limit will encourage licensees to be more attentive to their responsibilities to uphold the laws governing their liquor licenses.

Sincerely,

Denise Boisvert

Waikiki

**SB-2125**

Submitted on: 1/26/2022 1:51:57 PM

Testimony for CPN on 1/28/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Kim Jorgensen	Individual	Support	No

Comments:

Please consider passing SB2125.

A higher fine is a sensible way to discourage liquor law breakers.

Mahalo,

Kim Jorgensen



**LATE**

**SB-2125**

Submitted on: 1/27/2022 4:02:23 PM

Testimony for CPN on 1/28/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
John & Rita Shockley	Testifying for FREE ACCESS COALITION	Support	No

Comments:

Aloha!

To make for a safer Hawaii for all of us, the entertainment and bar industry needs to comply with existing noise and other requirements. The fines need to be raised to assist getting these establishments to comply with regulations and laws.

Mahalo for your time.



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766 Pohukaina Street  
Honolulu, Hawaii 96813-5391  
www.abcstores.com

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Fax: (808) 591-2039  
E-mail: mail@abcstores.com

To: Committee on Commerce and Consumer Protection  
Senator Rosalyn H. Baker, Chair  
Senator Stanley Chang, Vice Chair

From: ABC Stores  
Curtis Higashiyama, Government Affairs Manager  
Date: 1/27/22

**LATE**

RE: SB2125 Relating to Liquor Licenses  
Position: Oppose

Good morning Chair Baker and Vice Chair Chang of the Senate Committee on Commerce and Consumer Protection. I am Curtis Higashiyama, Manager of Government Affairs at ABC stores. I appreciate this opportunity to testify.

While we understand the intent, we are **STRONGLY OPPOSED** to SB2125 Relating to Liquor Licenses. This measure arbitrarily increases the maximum fine from \$2,000 to \$5,000 to grant flexibility in assessing fees to license holders.

We feel this would be overly punitive. In current law there are numerous deterrents available to mitigate violations. In the liquor laws there are numerous regulated items subject to violations and associated penalties. Stores have designated areas to sell liquor, if a store builds a floor stack of wines outside of the designated area, technically this is a violation. If a store does not have the mandatory sign up because a customer knocks it down, this technically is a fine. Individuals working for the licensee not following the liquor laws are also subject to punitive action. The individual must report to District Court for a charge of a full misdemeanor. A misdemeanor punishable by up to \$2,000 and/or 1 year in prison.

The Liquor Commission is a panel of judges with the flexibility to impose fines. For those who are frequent violators, they should receive the maximum fine to revocation. If as in the example above with a missing sign, we would defer to the judgement of the panel rather than the full fine. We would rather have due process.

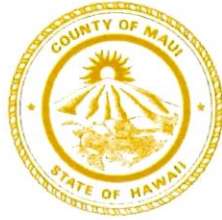
There are different ways to get compliance to laws, not only through monetarily punitive actions. In one way, the Liquor Commission has the power to suspend or revoke a license. Other ways are through education, community outreach, and through enhanced enforcement of laws; programs that initiate or increase the frequency of compliance checks for laws against the sale of alcohol/tobacco to minors.

In our experience, deterrents based on education and warning, are better serving to get compliance. As a general rule, most licensees abide the law, honest, and do not deliberately break the law. We as a company understand the purpose of the Commission and the Commission should have the judgement to apply proper penalties.  
We thank you again for allowing us to testify.

MICHAEL P. VICTORINO  
Mayor

LAYNE N. SILVA  
Director

JARRETT K. KAHO'OHANOHANO  
Deputy Director



**DEPARTMENT OF LIQUOR CONTROL**  
COUNTY OF MAUI  
110 ALA'IHI STREET, ROOM 212  
KAHULUI, MAUI, HAWAII 96732  
TELEPHONE: (808) 243-7753

January 28, 2022

**LATE**

The Honorable Rosalyn H. Baker, Chair  
The Honorable Stanley Chang, Vice Chair  
Members of the Committee on Commerce and Consumer Protection

The Senate  
State Capitol, Room 229  
415 S. Beretania Street  
Honolulu, Hawaii 96813

Re: Senate Bill 2125; Relating to Liquor Licenses

Dear Chair Baker, Vice Chair Chang and Members of the Committee:

The Department of Liquor Control, County of Maui is in favor of and supports the adoption of SB 2125. The current fine amount has stood at \$2,000 since 1987.

The possible increase in fine amounts will be a further deterrent of flagrant violations of liquor law and increase the potential of voluntary compliance.

It also provides for a wider range in monetary fines that would allow more options before resorting to suspensions and revocations.

In conclusion, I feel that this proposal would be a benefit to both the Liquor Control Departments, as well as the licensees within the state of Hawaii

Sincerely,

A handwritten signature in black ink, appearing to read "Layne N. Silva".

LAYNE N. SILVA  
Director

LNS/lis