

DEPARTMENT OF LIQUOR CONTROL

LEO SANDOVAL., DIRECTOR



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

Testimony of Leo Sandoval
Director of Liquor Control, County of Kaua'i

Before the
House Committee on Finance
February 27, 2023, at 11:30 am
Room 308 & Via Videoconference

In consideration of
HB 159 HD1
Relating to Liquor Licenses

Honorable Chair Yamashita, Vice-Chair Kitagawa, and Committee Members:

The County of Kauai would like to **strongly support** HB159 HD1 which exempts the notarization requirement for renewals of liquor licenses.

Currently, the County of Kauai Department of Liquor Control is transitioning to a digital format to process renewals of existing license. Allowing the notarization to remain as currently written as a requirement for renewals would considerably hinder our efforts in expediting processing of renewal application. The requirement is appropriate for new license applications and for transfers, however it would be unnecessary for any renewals.

Thank you for your consideration to provide comments in **strong support** of HB159 HD1.

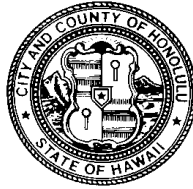
Sincerely,

Leo Sandoval-Reyes

Director

**LIQUOR COMMISSION
CITY AND COUNTY OF HONOLULU**

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



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ANNA C. HIRAI
ASSISTANT ADMINISTRATOR

February 26, 2023

The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
and Members of the Committee on Finance
House of Representatives
State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

SUBJECT: House Bill No. 159 HD1
Relating to Liquor Licenses

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony in **support** of the above-referenced measure.

License applications must be notarized when they are first submitted. Once a licensee has been approved, it seems unnecessary to require notarization on a license renewal application when the licensee is already licensed, in the system, and known to the particular liquor commission. The notarization of renewal applications was added as part of last year's Act 76 (SLH 2022), and we believe that was in error. In addition to being unnecessary, the notarization requirement will hinder the counties' efforts to switch to digital/electronic renewal of licenses. It is reasonable to get the assurances represented by a notarized signature when an individual or entity is making an initial license application or seeks to transfer the license to an applicant – it makes less sense once the individual or entity is already a licensee and simply seeks to renew the license.

We **support** the clarification of the notarization requirement for both new and transfer applications which was accomplished in the HD1. As the HD1 currently reads, the notarization requirement has been appropriately retained for new and transfer applications, but eliminated as a requirement from renewal applications.

Thank you for the opportunity to provide testimony on House Bill 159 HD1.

Sincerely,

Anna C. Hirai
Assistant Administrator

ACH:

CRAFT *Ohana*

February 26, 2023

House Committee on Finance
HB159 HD1 Relating to Liquor Licenses
Monday, February 27th, 2023 at 11:30am, Conference Room 308

Re: **IN SUPPORT OF HB159 HD1**

Aloha Chair Representative Yamashita, Vice Chair Representative Kitagawa, and members of the Committee,

My name is Garrett W. Marrero, I live in Kihei, HI. Maui Brewing Co. has locations on Maui in Lahaina and Kihei, and on Oahu in Waikiki and Kailua. We distribute across the Hawaii, 23 other States, and 4 countries. We began in 2005 with 26 team members and have added more than 400 team members across Hawaii. I was selected as the National Small Business-Person of the year in 2017 for my work at Maui Brewing Co.

I am writing on behalf of myself and our local family-operated business in support of **HB159 HD1** which eliminates the need to notarize liquor department documents thereby streamlining the process for local business owners to apply for and maintain their licenses.

I can tell you countless stories personally of issues with errors made on documents whether due to our own mistake but many due to liquor department errors where documents had to be wet signed and notarized several times before acceptance by the department, some for as little as missing a comma, or including one, on an application. At \$10-\$20 per notary signature this can add up for a small business. Add to this the delays and extra costs when a signer is off-island and must use next day shipping to receive and send back notarized documents. Recently we had this same situation occur and the single document cost us nearly \$200 by the time it was finalized.

Generally, a Notary Public's role is to prevent fraud and make sure that a person who executes a document does it out of their own free will and voluntarily. Given the arduous process of receiving a liquor license in Hawai'i, I believe this should not be a concern. The amount of personal identification and history of applicants including fingerprints and background checks ensures that the person(s) applying indeed are aware of the application and are submitting it of their own free will. Please help make Hawai'i more pro-business and support small businesses by eliminating this useless extra step.

Thank you for the opportunity to offer these comments in support of the passage of **HB159 HD1**.

Sincerely,



Garrett W. Marrero
CEO/Founder

MAUI
HARD SELTZER

*Modern
Times*
BEER

MAUI
BREWING CO

*Modern
Times*
COFFEE

KUPU
— SPIRITS —

HB-159-HD-1

Submitted on: 2/26/2023 9:04:45 AM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Steve Haumschild	Lanikai brewing Company	Support	Remotely Via Zoom

Comments:

HB159 simplifies the process for getting a license or renewing a license. The process to get or renew a license is already long and complicated and with multiple hearings along the way, its clear a notary is no longer necessary and just adds an additional step that could be eliminated without adding risk

HB-159-HD-1

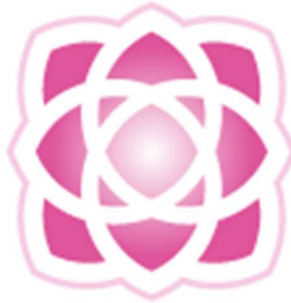
Submitted on: 2/26/2023 10:13:56 PM

Testimony for FIN on 2/27/2023 11:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Geoffrey Seideman	Honolulu BeerWorks	Support	Written Testimony Only

Comments:

SUPPORT



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON
FINANCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 308
MONDAY, FEBRUARY 27, 2023 AT 11:30 A.M.

To The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
Members of the Committee on Finance

SUPPORTING HB159 HD1 RELATING TO LIQUOR LICENSES

The Maui Chamber of Commerce **supports HB159 HD1** which exempts the notarization requirement for renewals of liquor licenses.

The Chamber notes that this measure eliminates the need to notarize liquor department documents required for renewal of a licensee's liquor license. Thus, streamlining the process for local business owners to apply for and maintain their licenses.

The Chamber is aware of issues with errors made on documents whether due to a licensee's own mistake or (many times) due to liquor department errors where documents had to be wet signed and notarized several times before acceptance by the department, some for as little as missing, or including an extra, comma, on an application. At \$10-\$20 per notary signature this can add up for a small business. Add to this, the delays and extra costs when a signer is off-island and must use next day shipping to receive and send back notarized documents.

Generally, a Notary Public's role is to prevent fraud and make sure that a person who executes a document does it out of their own free will and voluntarily. Given the arduous process of receiving a liquor license in Hawai'i, the Chamber believes this should not be a concern. The amount of personal identification and history of applicants, including fingerprints and background checks, ensures that the person(s) applying are fully aware of the application and are submitting it of their own free will. Please help make Hawai'i more pro-business and support small businesses by eliminating this unnecessary extra step.

For these reasons, we **support HB159 HD1**.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.