

**LIQUOR COMMISSION  
KOMIKINA KĀKA'ĀHI WAI 'ONA  
CITY AND COUNTY OF HONOLULU**

711 KAPI'OLANI BOULEVARD, SUITE 600, HONOLULU, HAWAII 96813-5249  
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WEBSITE: [honolulu.gov/liq](http://honolulu.gov/liq) • E-MAIL: [liquor@honolulu.gov](mailto:liquor@honolulu.gov)

**LATE**

RICK BLANGIARDI  
MAYOR  
MEIA



February 3, 2025

The Honorable Scot Z. Matayoshi, Chair  
The Honorable Cory M. Chun, Vice Chair  
Committee on Consumer Protection & Commerce  
House of Representatives  
State Capitol, Room 329  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Matayoshi and Vice Chair Chun:

SUBJECT: House Bill 208  
Relating to Intoxicating Liquor

Before going further, the four county liquor commissions wish to express our appreciation to Committee member Tam for the time and effort spent in getting regulator feedback on the proposed measure. As a result of those very productive sessions, the comments we submit are minimal.

**Section 1:** If this measure is moved forward, we propose the following for consideration: As written, unannounced visits are limited to a licensee's regular business hours. As routinely conducted compliance checks include checks for sales, service, and consumption after a license class's set business hours, we propose an addition to the final sentence (lines 14-17) to include visits pertaining to sales, service, and consumption before or after regular business hours.

**Section 2:** As the proposed measure contains the appropriate "grandfathering" language to preserve rights that have matured prior to the effective date, the existing licensees holding a Dispenser class, hostess category license will not be impacted. This concern was surfaced during Representative Tam's outreach sessions and has been addressed.

**Section 3:** The substitution of the reasonable force standard for an investigator or police officer to enter a licensed premises when entry has been requested and denied comports with current case law. Accordingly, we have no objection to the proposed substitution.

JEFFREY HONG  
CHAIRPERSON  
LĀLA

DILLON HULLINGER  
VICE CHAIRPERSON  
HOPE LĀLA

KEVIN SAKAMOTO  
COMMISSIONER  
KOMIKINA

EDMUND K.B. HYUN  
COMMISSIONER  
KOMIKINA

SALVADOR D. PETILOS  
ADMINISTRATOR  
LUNA

ANNA C. HIRAI  
ASSISTANT ADMINISTRATOR  
HOPE LUNA

We appreciate the opportunity to provide comments on House Bill 208.

Sincerely,

A handwritten signature in blue ink, appearing to read "Salvador D. Petilos", is written over the typed name.

Salvador D. Petilos  
Administrator

SDP:ACH

**HB-208**

Submitted on: 2/1/2025 12:31:30 PM

Testimony for CPC on 2/4/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paula Hegele	MAUI WINE, LTD	Oppose	Written Testimony Only

Comments:

Oppose Changes



Lanikai Brewing Company  
175 Hamakua Drive, Unit C  
Kailua, Hawaii 96734  
[www.lanikaibrewing.com](http://www.lanikaibrewing.com)

HB208

Aloha members of of the CPC committee,

As a local brewer and distiller located in Kailua Hawaii, I am writing in OPPOSITION to HB 208.

The liquor commissions on the various islands act with nearly unbridled autonomy as they are now. As a result of this, it is well know and well documented of abuse, targeting and corruption within these liquor commissions. While there has been some changes to the various commissions, HB 208 will open the door to massive corruption and targeting to local business by bad acting agents of the various commissions, a world already fraught with documented abuse without this bill. This bill WILL KILL SMALL BUSINESSES, and solidify that the state supports corruption by law and to remove accountability and the checks and balances from the various liquor commissions.

To give a SPECIFIC example, my business was targeted with over 16 unannounced visits by the liquor commission, averaging 2 per week over a 2 month period by various agents of the Honolulu liquor commission. This forced us to have multiple shut downs which caused our employees to lose hours and tips and impact our financial stability. Further, these agents created false notifications and violations. They refused to identify themselves, why they were inspecting us or what corrective actions would be needed. The Honolulu Liquor commission took no accountability or provided any reasons besides anonymous complaints, why my business was targeted. The more we asked for information, the more we were abused. It got to the point that the Honolulu Liquor commission attempted to cancel our license and close our business with NO DOCUMENTED VIOLATIONS. My business and myself were both personally threatened by HLC agents, claiming they will continue to go after us to shut down, WITH NO DOCUMENTED VIOLATIONS OR COMPLAINTS. Ultimately after spending countless dollars in legal fees and attending multiple hearings at the liquor commission, our case was dropped due to absolutely no evidence or proof of any violation or complaint.

Targeting and corruption of the various liquor commissions across counties is well documented. This bill opens the door to make this worse.

Any votes for HB 208 are a vote against balanced regulation, probable cause for inspections, reasonable inspection, and ultimately against specifically locally owned businesses.

Steve Haumschild, MBA

*Steven R Haumschild*

CEO & Brewmaster, Certified Cicerone®

Lanikai Brewing Company, Lanikai Spirits both Island Inspired™

Brewery/Distillery @ 175-C Hamakua Dr, Kailua, HI 96734

Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734 everyday 12p-10p

\*\*\*Coming soon Brewpub on North Shore of Oahu

FB: Lanikai Brewing Company, Instagram: @lanikaibrewing

Lanikai Brewing Company, Island Inspired™ Craft Beer  
Brewery @ 175-C Hamakua Dr, Kailua, HI 96734  
Tap & Barrel @ 167 Hamakua Dr, Kailua, HI 96734  
FB: Lanikai Brewing Company, Instagram: @lanikaibrewing

Lanikai Brewing Company, Island Inspired™ Craft Beer  
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FB: Lanikai Brewing Company, Instagram: @lanikaibrewing



February 3, 2025

COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Rep. Scot Z. Matayoshi, Chair  
Rep. Cory M. Chun, Vice Chair

Re: Testimony Against of HB208: Inspection; Licensees; Standard Bar; Obstruction

Aloha Chairs, Vice Chairs, and Members of the Committees,

My name is Bret Larson and I live in Wailua, Kauai, Hawai'i. I am owner and founder of Kauai Island Brewing Company, operating locations in Port Allen and Koloa on Kauai.

We've been in business for over 12 years as Kauai Island Brewing Company and 13 years before that as Waimea Brewing Company. In those many years of working with the legislature to craft fair, reasonable and common-sense legislation I have yet to see a more sinister bill than HB208.

I am submitting this testimony in strong opposition to HB208 on behalf of myself and our local, family-operated business. This bill is deeply flawed, does not serve the public good, and places an unfair and excessive burden on small businesses in Hawai'i.

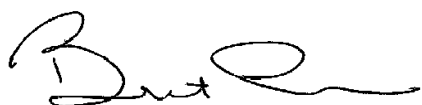
HB208 grants even greater unchecked power to county liquor departments, further tilting the scales against small businesses that are already struggling under onerous regulations. The liquor commissions have historically used their authority in ways that have unfairly targeted and penalized local businesses, and this bill only gives them more tools to do so. Instead of ensuring fair and transparent regulation, HB208 strips licensees of due process and the ability to properly defend themselves.

This bill does not enhance public safety, nor does it provide any tangible benefit to the community. Rather, it creates additional bureaucratic hurdles that will hinder local businesses while giving government agencies excessive discretion in enforcement. In an era when we should be supporting local businesses—the backbone of our economy—HB208 does the opposite, making it even harder to operate legally and successfully in an already difficult environment.

Small businesses in Hawai'i face countless challenges—high costs, labor shortages, economic uncertainty, and an often hostile regulatory environment. Adding more restrictive, vague, and punitive measures only deepens these struggles. We need common-sense solutions that promote fair oversight and economic growth, not unwarranted regulatory expansion that threatens the survival of our local businesses.

For these reasons, I urge you to reject HB208. Instead, let's focus on working with small businesses to craft policies that truly serve the public interest—ones that encourage compliance without unnecessarily punishing the very businesses that support our communities and economy.

Mahalo for considering our testimony and **REJECT** HB 208

A handwritten signature in black ink, appearing to read 'Bret' followed by a stylized flourish.

Bret Larson  
Kauai Island Brewing Company, LLC.  
808-755-5926  
[bret@kauaiislandbrewing.com](mailto:bret@kauaiislandbrewing.com)

**Testimony in Opposition of H.B. 208  
Relating To Intoxicating Liquor**

**Hearing Date:** Tuesday, February 4, 2025

**Time:** 2:00 PM

**Place:** Conference Room 329, State Capitol, 415 South Beretania Street

**Committee on Consumer Protection & Commerce**

Chair Matayoshi, Vice Chair Chun, and Members of the Committee:

I am writing to **oppose** H.B. 208, which introduces significant changes to the inspection and licensing processes for liquor establishments in Hawaii. While I understand the need for enforcement of liquor laws, I believe this bill creates unnecessary and overly broad powers that could harm businesses and erode trust between regulators and the community.

One of the most concerning aspects of the bill is the provision allowing unannounced inspections of licensed establishments. While inspections are necessary to ensure compliance, granting investigators the right to conduct them without prior notice is both intrusive and disruptive to business operations. Such inspections could penalize businesses for minor violations that could be easily corrected, and they undermine the fairness of the regulatory process.

The bill also grants investigators and law enforcement officers broad access to licensed premises, even when there are no clear grounds for suspicion. The inclusion of language allowing the use of "reasonable force" to enter premises could lead to overreach and raise concerns about privacy and property rights. This provision could create a climate of fear and uncertainty for business owners and employees, and risks infringing on their rights.

In short, while the intent of H.B. 208 may be to ensure public safety, its proposed provisions go too far by empowering regulators with excessive and undefined authority. I urge you to reconsider these provisions in favor of more balanced, transparent approaches that respect the rights of business owners while still ensuring compliance with liquor laws.

Mahalo for your time and consideration.



Sincerely,

Justin Guerber

Kauai Beer Company  
4265 Rice st  
Lihue, HI 96766  
[justin@kauaibeer.com](mailto:justin@kauaibeer.com)



February 3, 2025

[COMMITTEE ON CONSUMER PROTECTION & COMMERCE](#)

Rep. Scot Z. Matayoshi, Chair

Rep. Cory M. Chun, Vice Chair

Re: Testimony in Strong Opposition of HB208: Unchecked authority, Stripping of Due Process

Aloha Chair, Vice Chair, and Members of the Committee,

My name is Garrett W. Marrero, and I live in Kihei, Hawai'i. I am the CEO and Founder of Maui Brewing Co., operating locations in Lahaina, Kaanapali, and Kihei on Maui, and Waikiki and Kailua on Oahu. We distribute our beverages across Hawai'i, 26 states, and 2 countries. Since our founding in 2005, we have grown from 26 team members to over 400 statewide.

We just celebrated crossing 20 years in business last week. In those many years of working with the legislature to craft fair, reasonable and common-sense legislation I have yet to see a more sinister bill than HB208.

I am submitting this testimony in strong opposition to HB208 on behalf of myself and our local, family-operated business. This bill is deeply flawed, does not serve the public good, and places an unfair and excessive burden on small businesses in Hawai'i. To be clear, my issues are with the expansion of powers NOT the cabaret bar elimination.

HB208 grants even greater unchecked power to county liquor departments, further tilting the scales against small businesses that are already struggling under onerous regulations. The liquor commissions have historically used their authority in ways that have unfairly targeted and penalized local businesses, and this bill only gives them more tools to do so. Instead of ensuring fair and transparent regulation, HB208 strips licensees of due process and the ability to properly defend themselves.

This bill does not enhance public safety, nor does it provide any tangible benefit to the community. Rather, it creates additional bureaucratic hurdles that will hinder local businesses while giving government agencies excessive discretion in enforcement. In an era when we should be supporting local businesses—the backbone of our economy—HB208 does the opposite, making it even harder to operate legally and successfully in an already difficult environment.

Small businesses in Hawai'i face countless challenges—high costs, labor shortages, economic uncertainty, and an often hostile regulatory environment. Adding more restrictive, vague, and punitive measures only deepens these struggles. We need common-sense solutions that promote fair oversight and economic growth, not unwarranted regulatory expansion that threatens the survival of our local businesses.

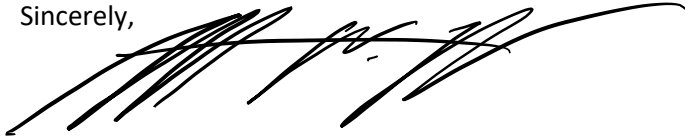
**Handcrafted Ales & Lagers Brewed with Aloha**  
605 Lipoa Parkway, Kihei, HI 96753  
808.213.3002

For these reasons, I urge you to reject HB208. Instead, let's focus on working with small businesses to craft policies that truly serve the public interest—ones that encourage compliance without unnecessarily punishing the very businesses that support our communities and economy.

Thank you for the opportunity to submit this testimony in STRONG OPPOSITION of HB208. This bill can be simply defined as "scary".

Mahalo for your time and consideration!

Sincerely,

A handwritten signature in black ink, appearing to read 'Garrett W. Marrero', with a long, sweeping horizontal stroke extending to the right.

Garrett W. Marrero  
CEO/Founder



Robbie Baldwin / Walter Enriquez  
Scarlet Honolulu Inc / Gay Island Guide

HB 208  
Strongly Support

Hello Representatives, We're writing in strong support of HB 208 that updates some of the liquor laws for the state of Hawaii. As many of you may know, Scarlet alongside Gay Island Guide was involved in a civil rights lawsuit against the commission that has recently been settled. In the years that the lawsuit was pending numerous scandals, investigations and press reports arose showing an agency in desperate need of reform. This bill is a good start.

Prior to our lawsuit, the agency has had decades of indictments, scandal and chaos all of which puts Hawaii's tourist centric economy that relies on the sale of liquor in jeopardy.

In response to the federal indictments over 20 years ago and then further indictments years later, the city council ordered numerous audits of the HLC. In response to our lawsuit, the city council passed a resolution to "Restore Trust in the Liquor Commission" that resulted in the Hui Chen Report.

All these audits and reports have stated that the Liquor Commission not only completely overhaul and update the rules regulating the licensee population (something that still hasn't been done) but also approach the legislature to overhaul and update the liquor laws of the state of Hawaii (also something that has not been done in over 20 years since suggested by the auditor and most recently suggested in the Hui Chen report).

In addition to the changes in this bill, we've made a list of common sense amendments we think are necessary to finally start to update the liquor laws of the state (attached below).

These include;

- We've struck out the language that gives HLC investigators "Police Powers". There is no need for that one sentence in the law and they have abused it. For duties that may require police-like abilities i.e. collecting evidence on an infraction, that is already called out in other parts of the law. This is also something that we feel is pressing given the Trump's administration plan to give police officers blanket immunity from any prosecution. The HLC investigators, unfortunately, have a 20+ year history of being federally indicted and convicted.

- We added language on changing the felony restrictions on a licensee and put it to 5 years prior. This is normal across almost all the states, especially blue ones. Even deep red Florida and Texas allow you to get a liquor license after 5 years post conviction. This restriction affects marginalized groups disproportionately and we think it needs to be edited to modern day norms.
- We put a cap on unannounced inspections per year. This is normal. Conservative leaning Utah's law only allows up to 3 annual routine inspections.
- We solidified using a randomizer to pick locations for unannounced inspections. This was a Hui Chen recommendation. We have them legally bound by this in our settlement agreement but it should be in the law.
- We added "non anonymous" to the complaint description. The LC was accused of writing their own "anonymous" complaints so we wanted to stop that practice.
- We added that to change a license type you need to get the board's approval instead of reapplying for a new license. The city and HLC is trying to get more 4am licenses out to counter the illegal nightclubs but that's extremely difficult to do when you have to redo an entire license application. It's also fair for people whose businesses may shift to go from a restaurant struggling to hit 30% food to a bar license. Since the craft cocktail boom, many legitimate restaurants can't hit the required percentage for their license.
- We struck "at any time whatsoever" from inspection times. We also took out their ability to use force and put in to call the police dept which is what they should be doing anyways.

We hope you consider these common sense reforms as amendments to this bill.

Thank you for your time and consideration on this matter.

## Obstruction

### **Description:**

Establishes when unannounced visits and inspections may be conducted. Repeals a category for dispenser licenses in which employees sit with patrons. Repeals the prohibition on the issuance of cabaret licenses in certain areas. Repeals the condition for standard bars to provide music and dancing only if the business is located in a commercial district and obtains a temporary approval. Repeals language punishing obstruction of liquor investigators. Clarifies the investigator's and police officer's authority to enter a liquor premises if they are denied admittance.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

2025-0084 HB HMSO-1

\*2025-0084 HB HMSO-1\*

\*2025-0084 HB HMSO-1\*

HOUSE OF REPRESENTATIVES **H.B. NO.** THIRTY-THIRD

# A BILL FOR AN ACT

RELATING TO INTOXICATING LIQUOR.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

**TO ADD: REVOCATION OF POLICE POWERS**

SECTION 2. Section 281-17, Hawaii Revised Statutes, is amended to read as follows:

"§281-17 Jurisdiction and powers. (a) The liquor commission, within its own county, shall have the jurisdiction, power, authority, and discretion, subject only to this chapter:

(1) To grant, refuse, suspend, and revoke any license for the manufacture, importation, and sale of liquors

(2) To take appropriate action against a person who, directly or indirectly, manufactures, sells, or purchases any liquor without being authorized pursuant to this chapter; provided that in counties that have established by charter a liquor control adjudication board, the board shall have the jurisdiction, power, authority, and discretion to hear and determine administrative complaints of the director regarding violations of the liquor laws of the State or of the rules of the liquor commission, and impose penalties for violations thereof as may be provided by law;

(3) To control, supervise, and regulate the manufacture, importation, and sale of liquors by investigation, enforcement, and education; provided that any educational program shall be limited to the commission staff, commissioners, liquor control adjudication board members, and licensees and

their employees, and shall be financed through the money collected from the assessment of fines against licensees; provided that fine moneys, not to exceed ten per cent a year of fines accumulated, may be used to fund public liquor-related educational or enforcement programs;

(4) From time to time to make, amend, and repeal rules, not inconsistent with this chapter, as in the judgment of the commission are deemed appropriate for carrying out this chapter and for the efficient administration thereof, and the proper conduct of the business of all licensees, including every matter or thing required to be done or which may be done with the approval or consent, by order, under the direction or supervision of, or as prescribed by the commission; which rules, when adopted as provided in chapter 91 shall have the force and effect of law;

(5) Subject to chapter 76, to appoint and remove an administrator, who may also be appointed an investigator and who shall be responsible for the operations and activities of the staff. The administrator may hire and remove hearing officers, investigators, and clerical or other assistants as its business may from time to time require, prescribe their duties and fix their compensation, and engage the services of experts and persons engaged in the practice of a profession, if deemed expedient[. ~~Every investigator, within the scope of the investigator's duties, shall have the powers of a police officer;~~];

## **TO ADD: AMENDING FELONS HOLDING LIQUOR LICENSES**

SECTION 4. Section 281-45, Hawaii Revised Statutes, is amended to read as follows:

"§281-45 No license issued, when. No license shall be issued under this chapter:

(1) To any minor or to any person who has been convicted of a felony within the preceding five years or a person whose felony within the 5 year window that has not been pardoned and not



~~pardoned~~; provided that the commission may grant a license under this chapter to a corporation or limited liability company that has been convicted of a felony where the commission finds that the corporation's officers, directors, and shareholders of twenty-five per cent or more of outstanding stock meet the statutory requirements to hold a license;

(2) To a corporation the officers and directors of which, or any of them, would be disqualified under paragraph (1) from obtaining the license individually, or a stockholder of which, owning or controlling twenty-five per cent or more of the outstanding capital stock, or to a general partnership, limited partnership, limited liability partnership, or limited liability company whose partner or member holding twenty-five per cent or more interest of which, or any of them would be disqualified under paragraph (1) from obtaining the license individually; provided that for publicly-traded corporations and limited liability companies or corporations or limited liability companies ultimately solely owned by a publicly-traded company, only the officers, directors, managers, or members designated as primary decision-makers shall be considered to determine disqualification under paragraph (1);

(3) Unless the applicant for a license or a renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee, present to the issuing agency a tax clearance certificate from the department of taxation showing that the applicant or the transferor and transferee do not owe the state government any delinquent taxes, penalties, or interest; or that the applicant, or in the case of a transfer of a license, the transferor or transferee, has entered into an installment plan agreement with the department of taxation for the payment of delinquent taxes in installments and that the applicant is or the transferor or transferee is, in the case of a transfer of a license, complying with the installment plan agreement; provided that when the applicant or the transferor or transferee, in the case of a transfer of a license, is validly challenging a tax assessment, penalty, or other proceeding that prevents the issuance of a signed certificate from the appropriate federal or state tax agency, the commission shall issue a license that is valid for the period of time necessary to resolve the challenge;

(4) To an applicant for a class 2, class 4 except for convenience minimarts, class 5, class 6, class 11, class 12, class 13, class 14, class 15, class 17, or class 18 license unless the applicant for issuance of a license or renewal of a license, or in the case of a transfer of a license, both the transferor and the transferee, present to the issuing agency proof of liquor liability insurance coverage in an amount of \$1,000,000; or

SECTION 1. Section 281-17, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Subject only to this chapter, the commission or board and each member thereof shall have the same powers respecting the administering of oaths, compelling the attendance of witnesses and the production of documentary evidence, and examining the witnesses as are possessed by a circuit court, except that the commission or board and each member thereof shall not be bound by the strict legal rules of evidence. In addition, the commission or board shall have the power to require the production of, and to examine any books, papers, and records of any licensee which [may] pertain to the licensee's business under the license or which [may] pertain to a matter at a hearing before the commission or board or to an investigation by the commission or board.

~~[The exercise by the commission or board of the power, authority, and discretion vested in it pursuant to this chapter shall be final and shall not be reviewable by or appealable to any court or~~

~~tribunal, except as otherwise provided in this chapter or chapter 91.] "~~

SECTION 2. Section 281-20, Hawaii Revised Statutes, is amended to read as follows:

**6 "§281-20 [~~General right of~~ Unannounced inspection. [~~Any investigator may, at all times, without notice and without any search warrant or other legal process, visit~~] Inspectors shall conduct unannounced visits and inspections and have immediate access to every part of the premises of every licensee for the purpose of making any examination or inspection thereof or inquiry into the books and records therein, to ascertain whether all of the conditions of the license and all provisions of this chapter are being complied with by the licensee. Inspections shall be conducted on an annual basis and at such intervals as determined by the board to ensure the health, safety, and welfare of patrons. Unannounced visits shall not exceed (3) per year and be assigned using a computer randomizer. Unannounced visits may be conducted during regular business hours. All inspections relating to follow-up visits, visits to confirm correction of deficiencies, or visits to investigate ~~non anonymous~~ complaints shall be conducted unannounced during regular business hours."**

SECTION 3. Section 281-31, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (f) to read:

"(f) Class 5. Dispenser license.

(1) A license under this class shall authorize the licensee to sell liquor specified in this subsection for consumption on the premises. A licensee under this class shall be issued a license according to the category of establishment the licensee owns or operates. The categories of establishments shall be as follows:

(A) A standard bar;

(B) Premises in which a person performs or entertains unclothed or in attire restricted to use by entertainers pursuant to commission rules; or

(C) Premises in which live entertainment or recorded music is provided; provided that facilities for dancing by the patrons may be permitted as provided by commission rules[~~;~~ ~~or~~

~~(D) Premises in which employees or entertainers are compensated to sit with patrons, regardless of whether the employees or entertainers are consuming nonalcoholic beverages while in the company of the patrons pursuant to commission rules].~~

(2) If a licensee under class 5 desires to change the category of establishment the licensee owns or operates, the licensee shall ~~apply for a new license applicable to the category of the licensee's establishment.~~ Seek and get approval from the commissions board

(3) Of this class, there shall be the following kinds: (A) General (includes all liquor except alcohol); (B) Beer and wine; and (C) Beer."

2. By amending subsection (k) to read:

(k) Class 11. Cabaret license. A cabaret license shall be general only but shall exclude alcohol and shall authorize the sale of liquor for consumption on the premises. A cabaret license shall be issued only for premises where [~~food is served,~~] facilities for dancing by the patrons including a dance floor are provided<sup>[7]</sup> and live or amplified recorded music or professional entertainment, except professional entertainment by a person who performs or entertains unclothed, is provided for the patrons; provided that professional entertainment by persons who perform or entertain unclothed shall be authorized by: (1) A cabaret license for premises where professional entertainment by persons who perform or entertain unclothed was presented on a regular and consistent basis immediately prior to June 15, 1990; or (2) A cabaret license that, pursuant to rules adopted by the liquor commission, permits professional entertainment by persons who perform or entertain unclothed.

A cabaret license under paragraph (1) or (2) authorizing professional entertainment by persons who perform or entertain unclothed shall be transferable through June 30, 2000. A cabaret license under paragraph (1) or (2) authorizing professional entertainment by persons who perform or entertain unclothed shall not be transferable after June 30, 2000, except upon approval by

the liquor commission and pursuant to rules adopted by the commission. Notwithstanding any rule of the liquor commission to the contrary, cabarets ~~in resort areas~~ may be opened for the transaction of business until 4 a.m. throughout the entire week. [~~A cabaret license shall not be issued for any premises located within an apartment mixed use subprecinct within a special improvement or special district in which the economy is primarily based on tourism.~~]"SECTION 4. Section 281-47, Hawaii Revised Statutes, is amended to read as follows:

**7 "§281-47 Standard bar; music and dancing available.** Any standard bar establishment may provide facilities for dancing by patrons, including a dance floor and live or recorded music[, ~~if the establishment is located in a commercial district and obtains the approval of the commission to provide such services on a one time trial basis not to exceed ninety days; provided that the music and dancing shall be allowed only during the trial period~~]."

SECTION 5. Section 281-79, Hawaii Revised Statutes, is amended to read as follows:

**17 "§281-79 Entry for examination[, ~~obstructing liquor commission operations; penalty~~].** Every investigator shall, and any police officer [~~having police power~~] may, at all reasonable times, ~~and at any time whatsoever~~ if there is any reasonable ground for suspicion that the conditions of any license are being violated, without warrant enter into and upon any licensed premises and

inspect the same and every part thereof, and any books or records therein, to ascertain whether or not all conditions of the license and all provisions of this chapter are being complied with by the licensee.

~~6 [If any investigator or officer, or any person called by 7 the investigator or officer to the investigator's or officer's 8 aid, is threatened with the use of violence, force, or physical 9 interference or obstacle, or is hindered, obstructed, or 10 prevented by any licensee, the licensee's employees, or any 11 other person from entering into the premises, or whenever any 12 investigator or officer is by any licensee, the licensee's 13 employees, or any other person opposed, obstructed, or molested 14 in the performance of the officer's duty in any respect, the 15 licensee, the licensee's employee, or any other person shall be 16 fined not more than \$2,000 or imprisoned not more than one year, 17 or both.]~~

~~Whenever any investigator or police officer, having demanded admittance into any licensed premises and declared the investigator's or police officer's name and office, is not admitted by the licensee or the person in charge of the premises, it shall be lawful for the investigator or police officer to {forcibly and in any manner to break into and} use reasonable force to enter the premises."~~ Whenever any investigator, having demanded admittance into any licensed premises and declared the investigators name and office is not admitted by the licensee, the investigator must contact the police department to aid in entry

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. SECTION 7. This Act shall take effect on July 1, 2025.

INTRODUCED BY: \_\_\_\_\_

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\*2025-0084 HB HMSO-1\*

Page 9 **H.B. NO.**



2025-0084 HB HMSO-1

\*2025-0084 HB HMSO-1\*

\*2025-0084 HB HMSO-1\*

Joshua Kopp  
Hana Koa Brewing Co.  
962 Kawaiahao Street  
Honolulu, HI 96814

## **HB208**

### **OPPOSE**

My name is Joshua Kopp and I am the Head Brewer and Owner at Hana Koa Brewing Co. We are an independent craft brewery producing 100% of our beer in Hawaii. We are united with other members of the manufacturing and restaurant industry in opposition of HB208.

HB208 unfairly grants powers to the liquor commission that would allow them to operate in a hostile manner. Based on the description of the bill, investigators would have similar powers to police officers conducting search and seizures and would be able to do so without a warrant. The frequency of conducting random searches annually without notice of any kind, with disruption to business during operating hours, and without identification is unacceptable.

Recently we had 2 investigators visit Hana Koa Brewing Co. It was a Saturday evening during the dinner rush. The investigators did not disclose who they were and they were promptly sat at a table. When the server approached them, they were whispering to each other and acting strangely. The server went through the normal steps of service and asked if they would like to start with any beverages. The woman investigator asked about cocktails and the server explained what we offered. The woman investigator decided on a cocktail and after the server rung the beverage into her handheld POS, the investigator loudly said, "Aren't you going to ask for my ID!?" The server replied, "Oh yeah sure I was just gonna add this in first before I forget."

After this interaction the investigators began behaving oddly. The male investigator began walking around tables looking at guests and went upstairs to our other dining area which was closed. The server and manager were worried that something was odd with the two patrons and the server asked the manager to do a table touch to inquire more. The manager ultimately said they were acting strange but just keep an eye out if it gets more weird. The investigators have still not identified themselves at this point.

The server approached the investigators with the cocktail. Once the drink was set down, the woman investigator said, "Hey you're not in trouble but.." and then was rummaging through her fanny pack. The server was nervous that it was going to be a weapon based on how they were behaving... Thankfully she pulled out her LC badge and let the server know they were there to observe.

The interaction after was pleasant and the investigators spoke with the manager regarding IDing patrons.

The reason I bring this up is that prior to identifying themselves, the investigators behavior was troubling. Making the staff feel uncomfortable and potentially guests is not something that they should be doing. Had the investigators identified themselves upon arrival, I believe the interaction would have gone very differently. We've had investigators stop by and provide identification. Those interactions were pleasant and felt very normal.

This bill would be harmful to businesses because of the disruption it could cause. I also don't understand why the liquor commission would need to have the ability to not provide a warrant or identification as police officers don't have that available at their disposal. The lack of identification would lead to confusion and panic amongst employees and guests. If an investigator walked into our establishment alone, unannounced, and did not identify themselves and proceeded to perform the actions in this bill, I would ask them to leave and call the police because that type of behavior would not be warranted.

HB208 should not be passed based on the language of the bill. I believe that it is important that we have investigators and administrators working together to insure that businesses are operating within the written law. I also believe that we need to have checks and balances within the system so business and government can operate harmoniously.

**HB-208**

Submitted on: 2/1/2025 6:16:46 AM

Testimony for CPC on 2/4/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alexandra Haban	Individual	Oppose	Written Testimony Only

## Comments:

I strongly oppose HB 208 due to the dangerous amount of unchecked power it gives to investigators. Under this bill, any investigator could, at any time, without notice or cause, enter and search your business. While we all agree that reasonable regulations are necessary, the scope of this bill is troubling. Inspections could be triggered by either documented or anonymous complaints, leaving room for potential abuse and corruption. A bad actor, such as an unethical operator, could use this to threaten a business owner with fines or other penalties simply for not paying up.

Liquor commissions already wield a great deal of power, and too often this power is abused. HB 208 would remove the need for probable cause, allowing investigators to target businesses and licensees at will. This law is written too broadly, leaving it open to drastic and potentially harmful interpretations. The risks far outweigh any potential benefits, and I strongly urge lawmakers to reconsider this bill before it becomes law.

**HB-208**

Submitted on: 2/3/2025 1:59:28 PM

Testimony for CPC on 2/4/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Theresa Lewis	Individual	Oppose	Written Testimony Only

Comments:

Aloha Legislators,

I am submitting this testimony in opposition to HB208. This bill is far too broad and overreaching to be seen as anything but unfair to business. HB208 grants unrestricted access to businesses that are already struggling to keep the doors open. Many of these businesses are following Hawaii law and further restrictions will only cause harm and a distrust of government entities.

I applaud common sense measures, but this bill is deeply flawed and only seeks unfettered access.

Thank you for your time and consideration.

Sincerely,

Theresa Lewis

**LATE**

**HB-208**

Submitted on: 2/4/2025 11:55:25 AM

Testimony for CPC on 2/4/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Takei	Individual	Oppose	Written Testimony Only

Comments:

This presents bill brings so many issues in the following ways:

- In Honolulu only the Liquor Administrator said there is already the Enforcement section to follow a guideline and videotape liquor establishments. If the law changes it will affect all other counties and make it more worse for small businesses;
- By changing, “Unannounced visits may be conducted during regular business hours”, will also create more issues for liquor businesses. This would require all liquor licensed establishments to report and certify to the Liquor Commission their hours of operation. In doing so, if a liquor establishment decides to deviate from their reported hours of operation, **it will be cause for the Liquor Commission to issue violations for non-compliance. They cite for drinking after-hours already.**
- By changing, “All inspections relating to follow-up visits, visits to confirm correction of deficiencies, or visits to investigate complaints shall be conducted unannounced.” **This would force other islands to conform to this change in law, which in furtherance may hurt the smaller businesses in other counties;**

This change to Class 5. Dispenser license presents issues in the following ways:

- By striking out, “Premises in which employees or entertainers are compensated to sit with patrons, regardless of whether the employees or entertainers are consuming nonalcoholic beverages while in the company of the patrons pursuant to commission rules”, will terminate and close about seventy (70) liquor licensed establishments currently in Honolulu; Why are they being targeted?
- This would terminate all these small businesses, which had operated for years. If a licensee, failed to renew and later decided to re-open under the same type of license, it would make it impossible if the law changed.

This change to **§281-79** causes issues in the following ways:

- By redefining, “it shall be lawful for the investigator or police officer to] use reasonable force to enter the premises”, would jeopardize law enforcement officer’s safety. In defining, “use reasonable force” change to the language of this law, will put law enforcement officers safety on the line.

- In addition to this change, this would be contrary to the 4th amendment and case law which have been through the courts.
- 1. “[T]he Fourth Amendment incorporates the common law requirement that police officers entering a dwelling must knock on the door and announce their identity and purpose **before attempting forcible entry.**” *Richards v. Wisconsin*, 520 U.S. 385, 117 S.Ct. 1416, 1418, 137 L.Ed.2d 615 (1997).

This bill will create more issues for the liquor license establishment than what is initially proposed to be. Lawmakers make no mistake, **THIS WILL** hurt law enforcement, small businesses, and liquor operators.