

CRAFT *Ohana*

February 12, 2023

Senate Committee on Commerce and Consumer Protection
SB14 Relating to Intoxicating Liquor
February 14th, 2023 at 9:40am

Re: IN STRONG OPPOSITION OF SB14

Aloha Chair Senator Keohokalole, Vice Chair Senator Fukunaga, 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.

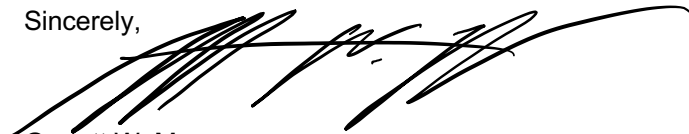
I am writing on behalf of myself and our local family-operated business in opposition of **SB14** which adds to the burden of the county liquor departments and creates a law where a duty already exists.

SB14 does not serve the public in any way shape or form. In fact, it arms the liquor departments with more ammunition to use against small businesses unfairly. During the covid pandemic we watched as some operators or individual persons submitted false and misleading claims to the liquor departments in retribution or as a means to hurt the competition. Requiring the commissions to review these complaints WITHOUT having validated that these complaints are merited at the time of the submission is a ridiculous concept. This does not allow for due process or afford the licensee the ability to defend itself.

Furthermore, I think we can all agree that a complaint IS NOT a violation. Also what is the time period that would be in question? 1 year? 5 years? 20 years? We need to have some common sense here and realize that this bill is flawed and is anything but in the interest of public good. We need to be finding ways to support local businesses rather than arming the departments with even more ways to work against licensees as some departments have in the past wielded these types of tools at will.

Thank you for the opportunity to offer these comments in opposition of **SB14**.

Sincerely,



Garrett W. Marrero
CEO/Founder

MAUI
HARD SELTZER

*Modern
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BEER

MAUI
BREWING CO

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COFFEE

KUPU
— SPIRITS —



Lanikai Brewing Company
175 Hamakua Drive, Unit C
Kailua, Hawaii 96734
www.lanikaibrewing.com

13 February 2023
RE: SB14

Position: **OPPOSE**

Chair Keohokalole, Vice Chair Fukunaga and members of the Committee,

I am Steve Haumschild, CEO and founder of Lanikai Brewing Company located in Kailua Hawaii. We are an independent craft brewery producing 100% of our beer in Hawaii. In addition, we also operate a Distillery (Lanikai Spirits) as well as operate or are building multiple restaurants throughout Hawaii. We are united with other members of the Hawaiian Craft Brewers Guild in our pursuit to promote economic activity and growth for Hawaii's beer manufacturers and enhance opportunities in our communities.

SB14 removes the ability for a licensee to have a fair and unbiased process through licensing. It further supports potential bad actors within county Liquor Commissions to use their power over licensees in a biased and threatening manner.

It is very significant to note that a COMPLAINT is not a violation. Complaints can be submitted anonymously thereby allowing a competitor, a bad acting enforcement agent, or any group to simply continue to issue complaints against a licensee with no determined merit to the claims. If this bill passes, these unfounded complaints (not adjudicated violations), could potentially impact a legal business owner their right to a license. Further, a complaint that is issued does not allow the licensee to face its accuser and said complaint does not have to be based in fact.

A complaint is simply hearsay, it is not substantiating proof of a violation. Using heresay to potentially deny a license goes against fair and unbiased due process and supports potential bad actors to control a biased market.

Mahalo for considering our testimony.

Steven R Haumschild
Steve Haumschild, MBA
CEO & Brewmaster, Certified Cicerone®
Lanikai Brewing Company,

SB-14

Submitted on: 2/11/2023 9:04:20 PM

Testimony for CPN on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

Far too often the liquor commission (at least in Honolulu) rubber stamps applications, especially for renewal. Or worse, it doesn't care how many compliants there are, only adjudicated ones. This is an important step of returning sanity to the community. Please pass this bill.

SB-14

Submitted on: 2/13/2023 9:00:48 AM

Testimony for CPN on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas Kerns	Individual	Oppose	Written Testimony Only

Comments:

Aloha, I believe the status quo for licensing is working well and this amendment seems to be overreachin and punitive by nature.



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LATE

Nicolas Wong

President
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Honolulu, HI 96816

SB14– Requires the Liquor Commission to record all complaints against any licensee, regardless of whether the complaint is filed during or after the occurrence of the violation. Requires the Liquor Commission to review the history of complaints against any applicant at the time of application for a new license or renewal of an existing license.
February 14, 2023 at 9:40a.m Conference Rm 229

Senator Jarrett Keohokalole, Chair, Senator Carol Fukunaga, Vice Chair and members of the Senate Committee on Commerce and Consumer Protection

STRONGLY-OPPOSE

My name is Nicolas Wong and I am the owner of Beer Lab HI. We are an independent craft brewery producing 100% of our beer in Hawaii. We are united with other members of the Hawaiian Craft Brewers Guild in our pursuit to promote economic activity and growth for Hawaii's beer manufacturers and enhance opportunities in our communities.

I am a board member of the HCBG. Our brewery along with the other member breweries of the Hawaiian Craft Brewers Guild embrace the responsible consumption of alcohol.

I am also a board member of the Hawaii Restaurant Association.

Recording and using history of complaints against licensees for renewals

The intent of this bill is a good intent with multiple festivals and parades and the like. Many of these events are renewed with no chance for the community to speak on it.

However the unintended consequence is that long term licensees are put at a huge risk.

From personal experience, during the pandemic there were a lot of individuals who thought opening for dine in service was not in the best interest of the community and we received over 20-30 "anonymous" complaints citing untrue events ranging from dangerous activity in our brewery to removing masks prior to receiving food at the table. These 20-30 complaints may have come from one individual but the system does not allow one to determine this. While these times have come and gone I urge the committee to strongly consider the ramifications if this bill were to pass to law. We would have 30 complaints in a span of 2 months and would not have been allowed to renew our liquor license and ultimately put out of business.

LATE

SB-14

Submitted on: 2/13/2023 11:38:07 AM

Testimony for CPN on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Geoffrey Seideman	Testifying for Honolulu BeerWorks	Oppose	Written Testimony Only

Comments:

OPPOSE

LATE

SB-14

Submitted on: 2/13/2023 4:19:34 PM

Testimony for CPN on 2/14/2023 9:40:00 AM

Submitted By	Organization	Testifier Position	Testify
Justin Guerber	Testifying for Kauai Beer Company	Oppose	Written Testimony Only

Comments:

We oppose SB14, which would require the liquor commission to record and review all complaints against any licensee upon application for a new license or renewal. We believe that this bill would allow disengenuous parties to file complaints against a licensee, and thus use the power of the liquor commission to effectively harrass and possibly put a licensee out of business just by filing complaints. We feel that granting of new licenses and renewals already takes into account any violations made by the licensee, which is the metric which should be applied here.