

Honolulu Liquor Commission  
February 26, 2009

**Testimony on SB 697, Relating to Intoxicating Liquor**

Date: Monday, March 02, 2009  
Time: 8:30 am  
Place: Conference Room 329  
State Capitol  
415 South Beretania Street

To: Chairman John M. Mizuno  
Vice Chairman Tom Brower

From: Dewey H. Kim, Jr.  
Administrator, Honolulu Liquor Commission

Position: The Honolulu Liquor Commission supports the purpose of the bill, but points out possible legal and operational restrictions:

The Honolulu Liquor Commission (“HLC”), City and County of Honolulu takes this opportunity to support the purpose of SB 697, but points out possible legal and operational restrictions.

**Possible Legal Restriction:**

This bill would allow money collected by the county liquor commissions to be used for substance abuse treatment and prevention programs, in addition to liquor educational programs. Using the monies for all substance abuse treatment and not just liquor related programs could violate the provisions that indicate the title of the bill “Relating to Intoxicating Liquor” match the substance of the changes. Perhaps the bill could be amended to use these funds for alcohol related treatments and liquor education.

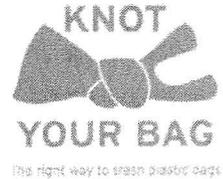
**Operational Restriction:**

It appears from the Standing Committee Report that these funds would be applied when the bill is approved. However, the city process for the liquor commission budget has already been finalized for FY2010. Additional funds that could be available through this bill would not be part of the commission’s budget until July 1, 2010.



## HAWAII FOOD INDUSTRY ASSOCIATION

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March 2, 2009

To: House Committee on Human Services  
Rep. John M. Mizuno, Chair  
Rep. Tom Brower, Vice Chair

By: Richard C. Botti, President  
Lauren Zirbel, Government Relations

Re: SB 697 RELATING TO INTOXICATING LIQUOR

### Chairs & Committee Members:

We oppose authorizing the use of penalties against licensees for any purposes that would relate to social problems unrelated to the violation the licensee is being penalized for. There is no nexus between violations by a liquor licensee and substance abuse treatment and prevention programs as the proposed amendments allow. Further, the wording is a play on words in that it allows the money to be used for social problems simply because the liquor commission is a part of that county.

and provided further that money collected from the assessment of fines against licensees shall also be expended to finance substance abuse treatment and prevention programs, as may be provided by the county in which the liquor commission has jurisdiction or private programs within that county;

We would support utilizing the fine money for educational public service announcements that are aimed to address both the licensees and consumers attempting to purchase alcoholic beverages illegally.

What this measure would do in its existing form is to provide a funding mechanism by each County Liquor Commission where penalties would be assessed just to create funding to cover issues not related to the licensee. It would then benefit the Commissions to levy higher fines and more fines just to collect the money to fund the projects.



# THE LEGISLATIVE CENTER

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March 2, 2009

Testimony To: House Committee on Human Services  
Representative Jon M. Mizuno, Chair

Presented By: Tim Lyons, Legislative Liaison  
Anheuser Busch Companies

Subject: S.B. 697 – RELATING TO INTOXICATING LIQUOR

Chair Mizuno and Members of the Committee:

I am Tim Lyons, Legislative Liaison for Anheuser Busch Companies and we are not in favor of this bill.

It can be said however, that we are in favor of the intent of the bill and in fact, we support both H.B. 311 and S.B. 470 which deal with a variety of matters but also include the substance of the subject matter contained in this bill. We have no problem in using fine money for substance abuse treatment or prevention and liquor educational programs however, we prefer the provisions in H.B. 311 and S.B. 470.

Based on the above, we do not recommend passage of this bill.

Thank you.