LIQUOR COMMISSION CITY AND COUNTY OF HONOLULU

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February 10, 2020

JOSEPH V. O'DONNELL CHAIRMAN

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ANNA C. HIRAI ASSISTANT ADMINISTRATOR

The Honorable Mike Gabbard, Chair The Honorable Russell E. Ruderman, Vice Chair and Members of the Committee on Agriculture and Environment State Senate State Capitol, Room 224 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Gabbard, Vice Chair Ruderman, and Members of the Committee:

SUBJECT: Senate Bill No. 3077 Relating to Liquor Laws

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony providing **comments** on the above-referenced measure. As a matter of principle, the Commission fully supports legislation that enables our licensees to successfully operate their businesses but also gives reasonable oversight to regulators in addressing the dynamic nature of the liquor industry. This oversight necessarily includes the impact to members of the public who must co-exist with our licensees as they conduct their business operations.

Senate Bill 3077 proposes amendments to Section 281-59, Hawaii Revised Statutes, to exempt applications from the automatic refusal provisions of said section for a class 1 manufacturer license on agricultural land and for which the majority of agricultural products used in the manufacturing of the liquor product is grown and produced in the state. As the Commission's area of expertise involves *liquor* sales, service, and consumption and not any nuances that might be involved in evaluating agricultural production, we would request that any applicable laws or administrative rules defining what constitutes an eligible agricultural product be included in the proposed amendment or in the Section 281-1 Definitions. This clarification would enable the Commission to most effectively implement the legislative intent of the proposed amendment.

Thank you for the opportunity to provide comments on Senate Bill 3077.

Sincerely, Bacont

Franklin Don Pacarro, Jr. Administrator

KIRK CALDWELL MAYOR



To: The Honorable Mike Gabbard, Chair and Members of the Senate Committee on Agriculture and Environment Date: Wednesday, February 12, 2020 Time: 1:30 p.m. Place: Conference Room 224, State Capitol Tai Erum, Trevyn Pless, Les Drent From: for LBD Coffee, LLC Re: SB 3077 (Relating to Agriculture)

Dear Senator Gabbard and Members of the Senate Committee on Agriculture and Environment,

LBD Coffee, LLC SUPPORTS SB 3077.

Farmers operating on land zoned for agricultural use should be exempt from the mandatory refusal section (51% majority) of HRS 281-59, and should have the right to mash, ferment, and distill their crops even if non farming neighbors oppose an agricultural activity that dates back to the founding days of our nation.

Please amend the HRS and empower the County Liquor Commissions to grant licenses to farmers seeking a liquor manufacturing permit if the majority of the agricultural products used in the manufacturing of the liquor are grown and produced in the State by the applicant. It certainly appears that this type of farming activity is protected under HRS 165 and our right to farm in Hawaii.

Sincerely,

Tai Erum Operations Manager

Tila Trange Flow

Trevyn Pless Farm Manager

Les Drent Owner

LBD Coffee, LLC 6200 Kawaihau Road, Unit B, Kapaa, HI 96746 USA Ph: (808) 822-4495 Fax: (808) 822-9731 lbdcoffee.com

<u>SB-3077</u> Submitted on: 2/10/2020 7:36:47 AM Testimony for AEN on 2/12/2020 1:30:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Tai Erum	Individual	Support	No

Comments: