LIQUOR COMMISSION CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI MAYOR



February 7, 2023

The Honorable Mark N. Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
and Members of the Committee on Consumer Protection & Commerce
House of Representatives
State Capitol, Room 329
415 South Beretania Street
Honolulu, Hawaii 96813

SETH T. BUCKLEY CHAIRPERSON

JEFFREY HONG VICE CHAIRPERSON

DUANE R. MIYASHIRO COMMISSIONER

DILLON HULLINGER COMMISSIONER

ADMINISTRATOR

ANNA C. HIRAI ASSISTANT ADMINISTRATOR

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

SUBJECT: House Bill No. 159 Relating to Liquor Licenses

The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony **providing comments and proposing clarifying language** on 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.

Clarification of the notarization requirement can be accomplished by reinstatement of the notarization requirement for both new and transfer applications, which can be done by reinstating a modified version of the previous, pre-Act 76 language. By way of example, we propose the following language in the first sentence of HRS Section 281-53:

§281-53 Application; penalty for false statements. Every application for a license or for the renewal of a license or for the transfer of a license shall be

Committee on Consumer Protection & Commerce Page 2

in writing, and except for the renewal of a license, notarized by the applicant ...

This will retain the notarization requirement for new and transfer applications, but eliminate the requirement from renewal applications.

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

Sincerely,

ama CHyai Anna C. Hirai

Assistant Administrator

ACH:

Mitchell D. Roth Mayor

Lee E. Lord Managing Director

Robert H. Command Deputy Managing Director



County of Hawai'i

Department of Liquor Control
Hilo Lagoon Centre, 101 Aupuni Street, Unit 230, Hilo, Hawai'i 96720-4261

(808) 961-8218 • Fax (808) 961-8684 E-Mail: cohdlc@hawaiicounty.gov

February 8, 2023

The Honorable Mark N. Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
and Members of the Committee on Consumer Protection & Commerce
House of Representatives
State Capitol, Room 329
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Re: House Bill No. 159 Relating to Liquor Licenses

The Department of Liquor Control and its Liquor Commission concur in the testimony provided by the Honolulu Liquor Commission in support of HB159 and urge its adoption.

Sincerely,

SERALD TAKASE

Director

GT:de



February 7, 2023

House Committee on Consumer Protection & Commerce HB159 Relating to Liquor Licenses Thursday, February 9th, 2023 at 2pm, Conference Room 329

Re: IN SUPPORT OF HB159

Aloha Chair Representative Nakashima, Vice Chair Representative Sayama, 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** 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.

Sincerely,

Garrett W. Marrero CEO/Founder











HB-159

Submitted on: 2/7/2023 3:08:54 PM

Testimony for CPC on 2/9/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Steve Haumschild	Lanikai brewing Company	Support	Written Testimony Only

Comments:

As a licensee of Alcohol, any simplification of the process is welcome.

<u>HB-159</u> Submitted on: 2/8/2023 10:54:32 AM

Testimony for CPC on 2/9/2023 2:00:00 PM

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

Comments:

SUPPORT

HB-159

Submitted on: 2/8/2023 1:51:08 PM

Testimony for CPC on 2/9/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Thomas Kerns	Big Island Brewhaus LLC	Support	Written Testimony Only

Comments:

We feel this is a wise administrative choice in simplifying the process while still maintaining inegrity on all applications.

HB-159

Submitted on: 2/7/2023 9:48:57 AM

Testimony for CPC on 2/9/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Zachary LaPrade	Individual	Support	Written Testimony Only

Comments:

A notary is not necessary and any steps we can talk to simplify is greatly appreciated from licensees.