

**LIQUOR COMMISSION
CITY AND COUNTY OF HONOLULU**

711 KAPIOLANI BOULEVARD, SUITE 600, HONOLULU, HAWAII 96813-5249
PHONE (808) 768-7300 • FAX (808) 768-7311
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RICK BLANGIARDI
MAYOR

February 7, 2023

SETH T. BUCKLEY
CHAIRPERSON

JEFFREY HONG
VICE CHAIRPERSON

DUANE R. MIYASHIRO
COMMISSIONER

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ADMINISTRATOR

ANNA C. HIRAI
ASSISTANT ADMINISTRATOR

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:

**SUBJECT: House Bill No. 16
Relating to Liquor**

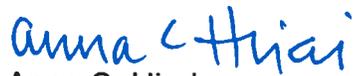
The Liquor Commission, City and County of Honolulu (Commission), appreciates the opportunity to submit testimony **providing comments** on the above-referenced measure. As a matter of principle, the Commission fully supports legislation that enables our licensees to successfully operate their businesses but also gives reasonable oversight to regulators in addressing the dynamic nature of the liquor industry as the industry strives to meet customer demand.

The first section of the proposed measure will reinstate the “cocktails to go” that was permitted under Governor Ige’s emergency proclamation(s). During and post-COVID, licensees claimed that this capability was an important economic ability as the industry struggled to retain and reclaim its viability. In terms of regulatory impact, the Commission had no complaints or other compliance problems with this activity during COVID, but will be alert to complaints of irresponsible delivery if this measure is passed out of committee and becomes law.

The second section authorizes a class 4 retail dealer (i.e., off-premises consumption licensee) to deliver to a customer’s nearby vehicle any liquor product sold either in-person or ordered online or on the phone. As with the case of “cocktails to go”, licensees used curbside delivery during COVID to responsibly meet customer demand for safe delivery. This amendment will shield the retail dealer who is performing this specific type of customer service activity that has not been problematic for the Commission.

Thank you for the opportunity to provide testimony on House Bill 16.

Sincerely,



Anna C. Hirai
Assistant Administrator

ACH:

Mitchell D. Roth
Mayor

Gerald A. Takase
Director



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

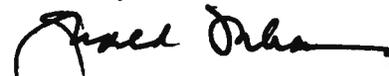
The Honorable Mark N. Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
and Members of the Committee on Consumer Protection & Commerce
House of Representatives
State Capitol, Room 329
415 South Beretania Street
Honolulu, Hawaii 96813

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

Re: House Bill No. 16 Relating to Liquor

The Department of Liquor Control and its Liquor Commission concur in the testimony provided by the Honolulu Liquor Commission in support of HB16 and urge its adoption.

Sincerely,



GERALD TAKASE
Director

GT:de

DEPARTMENT OF LIQUOR CONTROL
LEO SANDOVAL., DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
MICHAEL A. DAHLIG, MANAGING DIRECTOR

Testimony of Leo Sandoval

Director of Liquor Control, County of Kaua'i

Before the

House Committee on Consumer Protection & Commerce

February 9, 2023, at 2:00 pm

Room 329 & Via Videoconference

In consideration of

House Bill 16

Relating to Liquor

Honorable Chair Nakashima, Vice-Chair Sayama, and Committee Members:

The County of Kauai would like to **provide comments** on HB16 which authorizes liquor licenses to sell unopened beer, wine, and prepackaged cocktails with food for pick up, delivery, take out, or other means to be consumed off-premises. HB16 also authorizes liquor licensees holding class 4 retail dealer licenses to deliver purchased liquor to a customer's vehicle.

The first section of this proposed bill will reinstate the "cocktails to go" that was permitted under Governor Ige's emergency proclamation(s). The Kauai Department of Liquor Control had no complaints or other compliance problems with this activity during COVID. With HB16 on the table the Kauai Department of Liquor Control will be alert to complaints of irresponsible delivery if this measure is passed out of committee and becomes law.

The second section authorizes a class 4 retail dealer (i.e., off-premises consumption licensee) to deliver to a customer's nearby vehicle any liquor product sold either in-person or ordered online or on the phone. On Kauai, we have not had a high demand for this service, however the Kauai Department of Liquor Control would not propose an issue that could not regulated by our Department .

Thank you for your consideration to provide comments on HB16.

Sincerely,

Leo Sandoval-Reyes

Director



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 9, 2023
Re: HB 16 Relating to Liquor**

Good afternoon Chair Nakashima and members of the House Committee on Consumer Protection and Commerce. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains, and everyone in between.

We STRONGLY SUPPORT HB16 Relating to Liquor. This measure authorizes liquor licensees to sell unopened beer, wine, and prepackaged cocktails with food for pick up, delivery, take out, or other means to be consumed off-premises. Authorizes liquor licensees holding class 4 retail dealer licenses to deliver purchased liquor to a customer's vehicle.

During the pandemic we have seen that customers purchasing habits have changed. They are purchasing more online and using curb side pick-up for their merchandise and meals. Many were allowed to include unopened beer, wine and bottled/can cocktails during the pandemic. This was a customer service that many people were grateful for and helped to support our local businesses. Retail like many other customer service industries is constantly evolving with the demands of customers. Curbside pickup is a customer demand now that makes it easier than ever for customers to get what they need and fast.

Many customers still do not feel comfortable coming into establishments to eat or shop as Covid is still present in our communities. We are also seeing more people continue to order groceries, apparel, home goods, electronics and picking them up curbside. Including UNOPENED wine, beer and pre packaged cocktails would make a lot of customers happy. Customers could then enjoy the fact they can still enjoy takeout meals with an adult beverage in the comfort of their own homes. Or being able to obtain all their grocery and other shopping needs all in one stop shop and not have to go into the stores.

Mahalo for this opportunity to testify.



To: The Honorable Senator Mark Nakashima, Chair
The Honorable Senator Jackson Sayama, Vice Chair
Members of the Senate on Consumer Protection & Commerce

Re: Opposition to HB16, Relating to Liquor.

Hrg: Thursday, February 9th, 2023, at 2:00pm, House Conference Room 329

Position: Opposition

Aloha, my name is Rick Collins, the Director of the Hawai'i Alcohol Policy Alliance (Alliance). The Hawai'i Public Health Institute fiscally manages the Alliance. I am submitting testimony on behalf of the Alliance in OPPOSITION of HB16, which expands the county liquor commissions to allow licensees to sell alcohol for delivery and takeout.

Below are some of the reasons why we oppose the delivery and takeout of alcohol at bars and restaurants:

Allowing the delivery and takeout of alcohol will likely increase underage drinking.

By allowing the delivery and takeout of alcohol, we are increasing the general availability of alcohol to the public. Youth consumption is linked to the amount of availability of alcohol within a community. The World Health Organization and CDC recommend restricting the availability of alcohol in community as a strategy to reduce underage drinking. According to strong research evidence, this measure would likely increase underage drinking.

Increased availability of alcohol is linked to increases in community violence.

Numerous studies show that increasing the amount of alcohol availability in a community increases the rates of violence and alcohol-related calls for service of first responders. The science from the World Health Organization and Centers for Disease Control is clear: increased alcohol availability leads to increased alcohol consumption, which leads to increased alcohol-related harms and violence in the community.ⁱ This measure would likely result in an increase in both first responder calls-for-service and violence rates in our community.

What was supposed to be a short-term measure during the pandemic to alleviate the burden to restaurants and bars to sell alcohol has now become the alcohol industry's push to maximize their profit, at the expense of public health. We ask for a smarter, more balanced approach to both the economic and public health needs of our community. The economic cost of alcohol in Hawai'i currently equates to \$689 per person.ⁱⁱ



We ask that you oppose HB16. Mahalo for allowing me the opportunity to provide testimony on behalf of the Alliance.

If you have any questions, please contact Rick Collins at rick@hiphi.org or (808) 591-6508, x22.

Mahalo,

Rick Collins
Director
Hawai'i Alcohol Policy Alliance

ⁱ "Strengthen Restrictions on Alcohol Availability, World Health Organization, (2018)
https://www.who.int/substance_abuse/safer/s/en/

ⁱⁱ Data on Excessive Drinking, Centers for Disease Control and Prevention. <https://www.cdc.gov/alcohol/data-stats.htm>

CRAFT *Ohana*

February 7, 2023

House Committee on Consumer Protection & Commerce
HB16 Relating to Liquor
Thursday, February 9th, 2023 at 2pm, Conference Room 329

Re: **IN SUPPORT OF HB16**

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 **HB16** which will allow for the sale of unopened beverages for off-premises consumption. We support and encourage the responsible sale and consumption of beverage alcohol.

We appreciate the Legislature considering this bill as it we need common sense and responsible changes to our system. During the covid pandemic we saw a massive amount of loosening of liquor laws across the country that in the end did not have any adverse impacts on the community at large. One of these was the ability to buy beverages "to go" when picking up food from local restaurants and bars. This was an immense contributor to giving f&b operators an opportunity to generate business and try to stay afloat in some of our darkest days. This sector of the industry has not fully recovered and supporting any meaningful way to add to sales while increasing access to market for the local beverage producers should be encouraged.

As a restaurant operator I support the concept of allowing a guest to get food and beverages to go as a responsible way to enjoy supporting our local establishments. It allows for an individual to make one stop to purchase their chosen food and favorites beverages to take home and enjoy.

It's likely that those opposing this bill believe that this will lead to binge drinking and other nefarious behavior but I ask, what is stopping that from occurring today? Is the convenience and freedom of the majority of our people, the responsible law-abiding individuals to be governed by those that are not dissuaded from current law?

Thank you for the opportunity to offer these comments in support of the passage of **HB16**, a commonsense bill that supports the local craft beverage industry across Hawai'i.

Sincerely,

Garrett W. Marrero
CEO/Founder

MAUI
HARD SELTZER

*Modern
Times*
BEER

MAUI
BREWING CO

*Modern
Times*
COFFEE

KUPU
— SPIRITS —



info@beerlabhi.com
www.beerlabhi.com

Nicolas Wong

President
3266 Kalua PL
Honolulu, HI 96816

HB16– Authorizes liquor licensees to sell unopened beer, wine, and prepackaged cocktails with food for pick up, delivery, take out, or other means to be consumed off-premises. Friday, February 9, 2023 at 2:00p.m Conference Rm 329

Rep. Mark M. Nakashima, Chair Rep. Jackson D. Sayama, Vice Chair and members of the House Committee on Consumer Protection and Commerce

SUPPORT

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.

Cocktails to-go

This bill would help the restaurant industry, breweries, and the food industry by allowing greater flexibility with different ways to sell our products.

During the pandemic cocktails to-go was allowed by a city order on Oahu and helped many bars, restaurants and breweries make it through this tough time.

From our first hand experience it allowed customers to purchase a takeout dinner along with beer and cocktails all made in house and fresh to-go. All enjoyed from the comfort of the customers home. This resulted in an increase in sales and a greater tax paid to the state.

By not allowing these types of programs, people of Hawaii are forced to buy pre-packaged products from large mainland companies and sending tax money out of state.

HB-16

Submitted on: 2/7/2023 3:08:32 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:

Chair Nakashima, Vice Chair Sayama, and members of 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.

As you can imagine, the hospitality industry was decimated during the pandemic and restaurants are still feeling the long term impacts if they have even made it this far. HB 16 provides an option to allow licensees to sell products in stock to go for off site consumption. This will be a solid step for businesses to be able to work away at the debt generated from the pandemic survival. It further allows consumers to decide to consume at home in the safest manner possible.

Please consider passing HB16

HB-16

Submitted on: 2/8/2023 10:55:12 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



64-1066 Mamalahoa Highway
Kamuela, Hawaii, 96743

T 808-887-1717
F 808-885-0653
BigIslandBrewHaus@Yahoo.Com

BigIslandBrewHaus.Com

Thomas Kerns
President / Brewmaster
Big Island Brewhaus

House Committee on Consumer Protection & Commerce
HB17 Relating to Liquor Licenses
Thursday, February 9th, 2023 at 2pm, Conference Room 329

Re: **IN SUPPORT OF HB16**
Re: **IN OPPOSITION OF HB17**

Aloha Chair Representative Nakashima, Vice Chair Representative Sayama, and members of the Committee,

I am Thomas Kerns, owner and brewmaster at Big Island Brewhaus. We are an independent craft brewery producing 100% of our beer in Hawaii. Big Island Brewhaus is 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.

Our brewery along with the other member breweries of the Hawaiian Craft Brewers Guild embrace the responsible consumption of alcohol.

I am writing on behalf of myself and our local business in opposition to **HB17** which gives county Liquor Commission the ability to authorize the sale of unopened beverages for off-premises consumption. We support and encourage the responsible sale and consumption of beverage alcohol and specifically "to go beverages". However, we support **HB16** which gives this right to licensees via State law. We are opposed to the idea that this right would be subject to the various liquor departments to approve or deny at-will. This will be a further burden to the licensees to apply for permission, attend hearings for the same, and spend money on lawyers to accomplish what should be afforded universally. Additionally, this will add burden to the liquor departments whom all seem to be over-burdened and under-staffed already. Applications will need to be created, processes determined, no doubt place further restrictions and ultimately take

years to complete. This process would be repeated for each county as we do not have a uniform system for application of State law.

We appreciate the Legislature is considering these bills as we need common sense and responsible changes to our system. During the covid pandemic we saw a massive amount of loosening of liquor laws across the country that in the end did not have any adverse impacts on the community at large. One of these was the ability to buy beverages “to go” when picking up food from local restaurants and bars. This was an immense contributor to giving f&b operators an opportunity to generate business and try to stay afloat in some of our darkest days. This sector of the industry has not fully recovered and supporting any meaningful way to add to sales while increasing access to market for the local beverage producers should be encouraged.

As a restaurant operator I support the concept of allowing a guest to get food and beverages to go as a responsible way to enjoy supporting our local establishments. It allows for an individual to make one stop to purchase their chosen food and favorites beverages to take home and enjoy.

Thank you for the opportunity to offer these comments in oppositon of the passage of **HB17, and encourage support of HB 16** a commonsense bill that supports the local craft beverage industry across Hawai’i.

Sincerely,

Thomas Kerns

President / Brewmaster
Big Island Brewhaus

HB-16

Submitted on: 2/8/2023 4:46:07 PM

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

Submitted By	Organization	Testifier Position	Testify
Lindsey Dymond	Kalapawai Market & Cafes	Support	Written Testimony Only

Comments:

Aloha,

Kalapawai Cafe strongly supports this measure.

Mahalo,

Lindsey Dymond

owner

HB-16

Submitted on: 2/8/2023 9:30:20 PM

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

Submitted By	Organization	Testifier Position	Testify
Justin Guerber	Kauai Beer Company	Support	Written Testimony Only

Comments:

We are in support of HB16 which will allow for the sale of unopened beverages for off-premises consumption. We support and encourage the responsible sale and consumption of alcohol.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

HEARING BEFORE THE HOUSE COMMITTEE ON
CONSUMER PROTECTION & COMMERCE
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 329
THURSDAY, FEBRUARY 9, 2023 AT 2:00 P.M.

To The Honorable Mark M. Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
Members of the committee on Consumer Protection & Commerce

SUPPORTING HB16 RELATING TO RELATING TO LIQUOR

The Maui Chamber of Commerce **supports HB16** which authorizes liquor licensees to sell unopened beer, wine, and prepackaged cocktails with food for pick up, delivery, take out, or other means to be consumed off-premises, and authorizes liquor licensees holding class 4 retail dealer licenses to deliver purchased liquor to a customer's vehicle.

The Chamber supports this bill because licensees were permitted to do this during the COVID pandemic and proved that it could be done responsibly and without apparent abuse of any liquor laws. Since COVID is still a threat, there are citizens who still prefer limited contact with others and choose takeout or delivery. This measure will allow this practice to continue permanently so that those who wish to remain outside an establishment can do so and still purchase their beverages.

For these reasons we **support HB16**.

Sincerely,

Pamela Tumpap
President