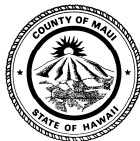


Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
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Nohelani U'u-Hodgins



Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 1, 2025

Mr. Layne Silva, Director
Department of Liquor Control
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Silva:

SUBJECT: **FISCAL YEAR 2026 BUDGET** (BFED-1) (LC-02)

Please be prepared to answer the following questions at the Budget, Finance, and Economic Development Committee meeting on **April 8, 2025***. This will enable the Committee to comprehensively review the FY 2026 Budget.

May I further request that, after approval by the Office of the Mayor, you transmit your answer to bfed.committee@mauicounty.us by the end of the day on **April 8, 2025**. **Date subject to change without notice.*

However, if a written response is received by **Friday, April 4, 2025**, your Department may be excused from appearing before the Committee on April 8.

Overall

1. What are the observable impacts of the August 2023 wildfires on Maui County's liquor industry and how does that impact the Department's operations and budget priorities? (Page 474, Program Budget) (TP)
2. Has funding been encumbered for Liquor Gladiator, Paradox, and eSkill, including the upgraded cloud-based solution system? Please provide an update on the implementation or effectiveness of the Department's cloud-based asset management system. (Page 13-6, Budget Details) (TP) (TC)

Mr. Layne Silva
April 1, 2025
Page 2

3. Relating to Goal #3, objective 1, the total number of license applications estimated to be processed in FY 2026 is significantly lower than the FY 2025 Estimate. What accounts for this reduction? (Page 477, Program Budget) (TC)

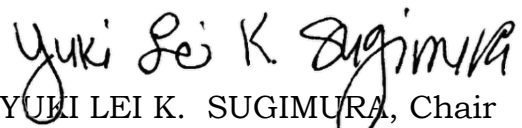
Operations and Equipment (Categories “B” and “C”)

1. What is the purpose of the REID & CLEAR memberships? (Page 480, Program Budget, 913012B-6230) (TP)
2. What type of additional equipment is being leased by the Department? (Page 479, Program Budget) (TP) (TC)
3. What is the current status of the Department’s fleet vehicles? Can the replacement of six vehicles be staggered over multiple fiscal years? If not, please explain why. (Page 480, Program Budget) (TC)
4. When is the review and amendment of the Liquor Commission’s administrative rules, funded under Professional Services, expected to be completed? Is there funding in the Budget to announce and publicize new rules, particularly those affecting local businesses that serve alcohol? (Page 13-6, Budget Details, 913012B) (GJ) (NUH)

To ensure efficient processing, please duplicate the coding in the subject line above for easy reference.

Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger at ext. 7761, Jarret Pascual at ext. 7141, Clarissa MacDonald at ext. 7135, or Pauline Martins at ext. 8039).

Sincerely,


YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:2026 bgt:250331alc01:kes
cc: Mayor Richard T. Bissen, Jr.
Deputy Director of Liquor Control
Budget Director

BFED Committee

From: BFED Committee
Sent: Tuesday, April 1, 2025 11:06 AM
To: Layne Silva
Cc: BFED Committee; Jarrett Kahooohanohano; Lianne Suzuki; 'Michelle Santos'; 'Zeke Kalua'; Lesley Milner; kristina.cabbat@co.maui.hi.us; tiare.p.horner@co.maui.hi.us; Janina Agapay
Subject: FISCAL YEAR 2026 BUDGET (BFED-1) (LC-02); reply by 4/4/2025
Attachments: (LC-2) Correspondence to Liquor Control 04-01-2025.pdf

RICHARD T. BISSEN, JR.
Mayor

LAYNE N. SILVA
Director

JARRETT K. KAHO'OHANO
Deputy Director



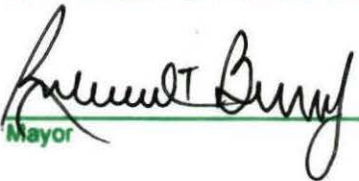
DEPARTMENT OF LIQUOR CONTROL
COUNTY OF MAUI
110 'ALA'IHI STREET, ROOM 212
KAHULUI, MAUI, HAWAII 96732
TELEPHONE: (808) 243-7753

April 3, 2025

Ms. Lesley Milner 
Budget Director, County of Maui
200 South High Street
Wailuku, Hawaii 96793

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

 4-3-25

Mayor Date

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair
Budget Finance, and Economic Development Committee
Maui County Council
Wailuku, Hawaii 96793

Dear Chair Sugimura:

SUBJECT: **FISCAL YEAR 2026 BUDGET** (BFED-1)(LC-02)

Thank you for your letter of April 1, 2025. My responses are as follows:

Overall

1. What are the observable impacts of the August 2023 wildfires on Maui County's liquor industry and how does that impact the Department's operations and budget priorities? (Page 474, Program Budget) (TP)

Due to the August 8th wildfires, 36 licensed premises were destroyed or rendered inoperable. Five (5) licensees have since relocated their businesses.

APPROVED FOR TRANSMITTAL

[Signature]

Date

To alleviate the anticipated hardships that licensees would face, the department developed a relocation liquor license application process, which is currently in effect to align with the Governor's Proclamation. This process allowed licensees to begin processing relocation liquor license applications and granted temporary liquor licenses to existing licensees who were in good standing with the Department and whose licensed premises were destroyed or rendered inoperable due to the August 2023 wildfires. The temporary liquor license would allow the licensee to resume operations expeditiously and avoid financial hardship while going through the application process for a new liquor license. The Department remains flexible as we navigate the recovery process.

Fortunately, the impacts on the Department by the August 2023 wildfires were minimal.

2. Has funding been encumbered for Liquor Gladiator, Paradox, and eSkill, including the upgraded cloud-based solution system? Please provide an update on the implementation or effectiveness of the Department's cloud-based asset management system. (Page 13-6, Budget Details) (TP) (TC)

Yes, the Department encumbered funding for eSkill and the cloud-based solution system, which is to replace Liquor Gladiator and Paradox. No funding was encumbered for Liquor Gladiator and Paradox in FY 2025.

Finance is assisting the Department and Liquor Commission with the procurement process.

3. Relating to Goal #3, objective 1, the total number of license applications estimated to be processed in FY 2026 is significantly lower than FY 2025 Estimate. What accounts for this reduction? (Page 477, Program Budget) (TC)

After a careful review of Goal #3, objective 1, of the total number of applications processed for FY 2024, FY 2025 and FY 2026, it was discovered that the figures are incorrect. Below are the corrected figures.

FY2024 ACTUAL	FY 2025 ESTIMATE	FY 2026 ESTIMATE
401	460	460

Operations and Equipment (Categories “B” and “C”)

1. What is the purpose of the REID & CLEAR memberships? (Page 480, Program Budget, 913012B-6230) (TP)

The Department encourages its employees to attend these types of training to enhance their strategic thinking, communication, decision-making, and understanding of investigations, as well as to assist them when conducting inspections and investigations in Maui County.

“The Reid Institute (Reid)” encourages members to further develop their investigative skills by attending quality training programs in a variety of related fields.” In-person and video/audio training programs and events are available. Members can also work towards Certification in the Reid Technique. Membership is open to all government, law enforcement, and private security investigators who share Reid’s commitment to learning and professionalism. The yearly membership renewal fee is \$50.00.

“The Council on Licensure, Enforcement and Regulation (CLEAR)” promotes regulatory excellence through conferences, educational programs, webinars, seminars, and symposia. The organization provides networking opportunities, publications, and research services to those involved with, or affected by, professional and occupational regulation. As a neutral forum to encourage and provide for sharing of best practices, CLEAR serves and supports the international regulatory community and its vital contribution to public protection. CLEAR has defined its own educator role as proactively identifying critical issues; providing a dynamic, interactive forum for exploration of these issues and collecting and disseminating relevant information on them. There are four core areas of substantive inquiry that CLEAR supports through its annual conference and other venues; compliance, discipline and enforcement, testing and examination issues; entry to practice standards and continuing competence; and regulatory agency administration.”

2. What type of additional equipment is being leased by the Department? (Page 479, Program Budget) (TP) (TC)

The Department is not leasing additional equipment for FY2026. The budget increase in the amount of \$250,000.00 is specifically earmarked for the Department’s Vehicle Replacement Requests.

3. What is the current status of the Department's fleet vehicles? Can the replacement of six vehicles be staggered over multiple fiscal years? If not, please explain why. (Page 480, Program Budget) (TC)

The Department has a total of seventeen (17) fleet vehicles. Seven (7) are inoperable and between the ages of 15 and 21. Ten (10) vehicles are still utilized by department staff. However, four (4) of the working vehicles are already between the ages of 11 and 15.

The Department's mission is to protect public health, safety, and welfare by regulating the liquor industry, as mandated by HRS and the Rules of the Liquor Commission. Vehicles are essential for daily and nightly duties, including inspections, investigations, serving subpoenas, deliveries, and responding to public complaints. Ensuring safe vehicles for Liquor Control Officers, who travel long distances and often work alone at all hours of the day and night, is critical for maintaining optimal service levels. The Department argues that it cannot afford to stagger vehicle replacements over multiple fiscal years due to the critical nature of these duties and the need for safe vehicles. Despite the need for six (6) vehicle replacements, the Department has revisited the costs and needs of the Department and would like to request that the equipment costs reflect the following: four (4) vehicles at \$51,000.00 each and replacement furniture for the Department at \$46,000.00.

This does not necessitate an amendment to the budget, the Budget Office will update the details.

4. When is the review and amendment of the Liquor Commission's administrative rules, funded under Professional Services, expected to be completed? Is there funding in the Budget to announce and publicize new rules, particularly those affecting local businesses that serve alcohol? (Page 13-6, Budget Details, 913012B) (GJ) (NUH)

Yes, the Department has funding available in FY 2026 Budget to complete its publicized new rules. The Department expects to complete its publicized new rules in FY 2026 with the assistance of the Permitted Interaction Group formed by the Liquor Commission.

Honorable Yuki Lei K. Sugimura, Chair
Budget Finance, and Economic Development Committee
April 3, 2025
Page 5

Should you have any further questions, please do not hesitate to contact my office at ext. 7754.

Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read "Layne N. Silva".

LAYNE N. SILVA
Director of Liquor Control

LNS/lss

BFED Committee

From: Janina E. Agapay <Janina.E.Agapay@co.maui.hi.us>
Sent: Thursday, April 3, 2025 9:35 AM
To: BFED Committee
Cc: Lesley J. Milner; Layne N. Silva; Jarrett K. Kahooohanohano; Lianne S. Suzuki
Subject: (BFED-1)(LC-02)
Attachments: (BFED-1)(LC-02).pdf

Hello,

Please see attached correspondence (BFED-1)(LC-02)

Thank you,

Janina Agapay

County of Maui | Budget Office

Phone: (808) 270-7836

Email: Janina.E.Agapay@co.maui.hi.us