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

March 20, 2025

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

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

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-01)

May I please request you submit your response to the following questions by **March 31, 2025**. This will enable the Committee to comprehensively review the FY 2026 Budget.

1. Please outline the major changes in your Department's budget from FY 2025 to FY 2026. If your budget will decrease, how will this impact your Department's operations and ability to serve the public?
2. How many vacant positions currently exist within your Department?
 - a. Please include the job titles for the vacancies and indicate how long the positions have been vacant.
 - b. What is the anticipated timeline for filling these vacancies?
 - c. What are the consequences, if any, for removing funding for these vacant positions from the FY 2026 Budget?
3. If your Department had expansion positions in the FY 2025 Budget, how many of those positions were filled? If they have not been filled, are they included in the FY 2026 Budget? How many months of funding are being requested?

4. If your Department is proposing expansion positions in the FY 2026 Budget, how do you plan to fill those positions?
5. How many positions were filled in FY 2025 that were not expansion positions?
6. Describe your recruitment process.
 - a. How did your Department recruit to fill vacancies and what were the most effective methods for attracting candidates?
 - b. Does your Department take an active role in recruitment or is recruitment handled primarily by the Department of Personnel Services? Please explain.
7. The following questions are related to overtime payments:
 - a. How much in overtime has been paid to date in FY 2025 and what was the reason for the overtime?
 - b. Were any of these overtime costs attributed to the number of vacant positions in your Department?
 - c. Do you anticipate that overtime costs in FY 2026 will increase or decrease and what are the reasons for your assumption?
8. The following questions are related to your Department's program and activities for FY 2026:
 - a. Identify the programs and activities conducted by your Department because of a Federal or State mandate. Indicate for each program and activity the amount of Federal or State funding your Department anticipates receiving and the amount of County funding your Department is requesting.
 - b. Identify the programs and activities conducted solely because of a Maui County Code mandate and indicate the amount your Department is requesting.
9. If your Department had Capital Improvement Projects in FY 2025:

- a. Provide the current status of each CIP, if different from the information provided in the Fiscal Year 2025 2nd Quarter CIP Report.
 - b. Provide information on how much funding has been encumbered or expended to date for each project.
10. If your Department has proposed CIPs for FY 2026:
- a. Rank your proposed CIPs, by priority.
 - b. Will CIP funding included in the FY 2026 Budget be encumbered by June 30, 2026? If not, how much do you anticipate will be encumbered by that date?
11. If your Department manages a revolving fund:
- a. Explain whether the revolving fund is still needed and why.
 - b. Provide the current balance.
12. If your Department manages grants:
- a. For each grant line-item not designated for a specific recipient (e.g., Small Business Promotion; Youth Programs), provide a breakdown of the grants that will be funded by the line item.
 - b. Provide a breakdown of all grants that will be funded by your Department under Sub-object Code 6317, County grant subsidy.
 - c. Did your Department apply for any grant funding in FY 2025? If yes, how much grant funding was received?
13. Provide details on your Department's Carryover/Savings that were included in the FY 2026 Budget.
14. What are your top three Department priorities for FY 2026 and how does your Department's budget reflect that?

15. How much has your Department spent on Professional Services in FY 2025, and what projects and consultants were funded under this line item?
16. How much of your Department's expenditures in FY 2025 will be reimbursed by the Federal Emergency Management Agency in relation to the wildfires? What amount of FY 2026 expenditures are expected to be reimbursed?
17. If your Department is receiving Federal grants, including pass-through grants:
 - a. What amount is your Department receiving for routine operations?
 - b. What amount is your Department receiving for August 2023 Maui Wildfires disaster recovery?
 - c. Explain any factors that could jeopardize your receipt of Federal grants, including Federal policy changes, compliance requirements, or expiration dates.
 - d. Explain how your Department will adjust if it does not receive the anticipated Federal grant funding.
18. If your Department received funding to repair or replace equipment, locations, and structures destroyed in the wildfires, provide the current status for each. If there are items still pending repair or replacement, provide the estimated cost and timeline for the repair or replacement.

The Department is scheduled to present on **April 8, 2025**. The schedule is subject to change and Committee staff will reach out if there are any changes to the schedule.

Please be prepared to provide a ten-minute presentation on the changes in your Department's budget from FY 2025 to FY 2026, addressing the following:

- Operations
- CIPs, if any
- Grants awarded by the Department, if any

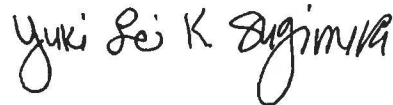
Mr. Layne Silva
March 20, 2025
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- Grants received by the Department, if any
- Revolving funds, if any
- Rates and fees, including any estimated increase or decrease in revenue as a result of the changes

Please transmit your response to bfed.committee@mauicounty.us by **March 31, 2025**. To ensure efficient processing, please include the Committee item number in the subject line. Please use a font size of at least 12 points for the response. This formatting allows Committee members and the community to clearly read the document once posted.

Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger at ext. 7761, or Pauline Martins at ext. 8039).

Sincerely,



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

bfed:2026bgt:253019alc01:kes

cc: Mayor Richard T. Bissen, Jr.
Budget Director

BFED Committee

From: BFED Committee
Sent: Friday, March 21, 2025 7:43 AM
To: Layne Silva
Cc: Lianne Suzuki; 'Michelle Santos'; 'Zeke Kalua'; Lesley Milner;
tiare.p.horner@co.maui.hi.us; 'kristina.cabbat@co.maui.hi.us'; Janina Agapay
Subject: FISCAL YEAR 2026 BUDGET (BFED-1) (LC-1)
Attachments: (LC-1) Correspondence to Liquor 03-20-2025.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

March 28, 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


Mayor 3-28-25
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-01)

Thank you for your letter of March 20, 2025. My responses are as follows:

1. Please outline the major changes in your Department's budget from FY 2025 to FY 2026. If your budget will decrease, how will this impact your Department's operations and ability to serve the public?
 - Six (6) new vehicle replacements for Department employees.
 - Two (2) expansion positions. An Account Clerk III for the Support Services Division and a Liquor Control Officer Trainee for the Licensing & Permits Division.
2. How many vacant positions currently exist within your Department?

Currently, there are four (4) vacant positions within our Department.

APPROVED FOR TRANSMITTAL

Mayor

Date

- a. Please include the job titles for the vacancies and indicate how long the positions have been vacant.

Liquor Control Trainee (Licensing & Permits Division) – Limited Term
Vacant for two (2) weeks

Liquor Control Trainee (Licensing & Permits Division) - Permanent
Vacant for two (2) months

Auditor I (Support Services Division) – Limited Term
Vacant for three (3) months

Liquor Control Officer IV (Support Services Division) – Permanent
Vacant for 2 years, 4 months

- b. What is the anticipated timeline for filling these vacancies?

The Department anticipates filling these vacancies within the next three (3) months.

- c. What are the consequences, if any, for removing funding for these vacant positions from the FY 2026 Budget?

The Department urgently looks to fill the vacancies to ensure it can continue to protect the health, safety, and welfare of the general public by regulating and controlling the liquor industry in the importation, manufacture, sale, and service of alcoholic beverages, and providing a safe and healthy environment for the people of Maui County as we support, recover and rebuild from the wildfires.

3. If your Department had expansion positions in the FY 2025 Budget, how many of those positions were filled? If they have not been filled, are they included in the FY 2026 Budget? How many months of funding are being requested?

The Department had no expansion positions in the FY 2025 Budget.

4. If your Department is proposing expansion positions in the FY 2026 Budget, how do you plan to fill those positions?

The Department plans to fill the proposed expansion positions in the FY 2026 Budget by going through the recruitment process with the Department of Personnel Services.

5. How many positions were filled in FY 2025 that were not expansion positions?

Four (4) positions were filled in FY 2025, that were not expansion positions.

6. Describe your recruitment process.

- a. How did your Department recruit to fill vacancies and what were the most effective methods for attracting candidates?

The Department filled these vacancies by going through the recruitment process with the Department of Personnel Services.

- b. Does your Department take an active role in recruitment or is recruitment handled primarily by the Department of Personnel Services? Please explain.

The Department of Personnel Services primarily handled recruitment for the Department.

7. The following questions are related to overtime payments:

- a. How much in overtime has been paid to date in FY 2025 and what was the reason for the overtime?

Overtime paid to date in FY 2025 is \$47,550.34 (as of March 15, 2025)

- b. Were any of these overtime costs attributed to the number of vacant positions in your Department?

Yes.

- c. Do you anticipate that overtime costs in FY 2026 will increase or decrease and what are the reasons for your assumption?

The Department anticipates that overtime costs in FY 2026 will decrease as positions are all filled.

The following questions are related to your Department's program and activities for FY 2026:

- a. Identify the programs and activities conducted by your Department because of a Federal or State mandate. Indicate for each program and activity the amount of Federal or State funding your Department anticipates receiving and the amount of County funding your Department is requesting.

The Department consists of one program. The Liquor Control Program ("Program") is mandated by Chapter 281, HRS. The Program's core functions are regulating and controlling the liquor industry in the importation, manufacture, sale and service of alcoholic beverages to provide a safe and healthy environment for the people of Maui County. All funding for the operation of the Department is derived solely from the liquor license fees. This program also administers the Liquor Education Revolving Fund, pursuant to Chapter 281-16 and 281-17(3), HRS. Revenue deposited to the Fund is derived from the assessment of fines imposed on the liquor license.

- b. Identify the programs and activities conducted solely because of a Maui County Code mandate and indicate the amount your Department is requesting.

None.

9. If your Department had Capital Improvement Projects in FY 2025:

The Department has no CIPs in FY 2025.

- a. Provide the current status of each CIP, if different from the information provided in the Fiscal Year 2025 2nd Quarter CIP Report.
- b. Provide information on how much funding has been encumbered or expended to date for each project.

10. If your Department has proposed CIPs for FY 2026:

The Department does not have any CIPs for FY 2026.

- a. Rank your proposed CIPs, by priority.
- b. Will CIP funding included in the FY 2026 Budget be encumbered by June 30, 2026? If not, how much do you anticipate will be encumbered by that date?

11. If your Department manages a revolving fund:

The Department, through its Liquor Control Program (as described in #8 above), administers the Liquor Education Revolving Fund. The Department does not have equivalent personnel funding through the Revolving Fund.

a. Explain whether the revolving fund is still needed and why.

The Liquor Education Revolving Fund is pursuant to Chapters 281-16 and 281-17(3), HRS. Revenue deposited to the Fund is derived from the assessment of fines imposed on the liquor license.

b. Provide the current balance.

The estimated balance as of June 30, 2025 is \$283,656.

12. If your Department manages grants:

The Department does not manage grants. However, the Department supplements funds from its Liquor Education Fund to assist agencies that have already received grant approval and will be fully funded by the Department of Human Concerns, Grants Management Division (DHC). The agencies have already gone through the application for grant and vetting process through the DHC, which manages and operates the grants. The objective is to educate youths and prevent underage drinking in the County of Maui.

a. For each grant line item not designated for a specific recipient (e.g., Small Business Promotion; Youth Programs), provide a breakdown of the grants that will be funded by the line item.

b. Provide a breakdown of all grants that will be funded by your Department under Sub-object Code 6317, County grant subsidy.

c. Did your Department apply for any grant funding in FY 2025? If yes, how much grant funding was received?

No, the Department did not apply for any grant funding in FY 2025.

13. Provide details on your Department's Carryover/Savings that were included in the FY 2026 Budget.

Any carryover funds are used to calculate annual gross liquor sales percentage fees. The Department has also recognized projected savings for FY 2025 derived from the expected gross liquor sales from the licensees in Maui County.

14. What are your top three Department priorities for FY 2026 and how does your Department's budget reflect that?
- a. Cloud-based system to replace antiquated and unsupported investigative/Licensing software and the equipment necessary to support this system.
 - b. Six (6) new vehicles for Department employees.
 - c. Comprehensive Rule Amendment.

15. How much has your Department spent on Professional Services in FY 2025, and what projects and consultants were funded under this line item?

As of March 15, 2025, the Department has paid:

- a. Ralph Rosenberg Court Reporter - \$6,831.43
 - b. eSkill (online certification for licensees) - \$13,000.00
16. How much of your Department's expenditures in FY 2025 will be reimbursed by the Federal Emergency Management Agency in relation to the wildfires? What amount of FY 2026 expenditures are expected to be reimbursed?

The Department did not have expenditures in FY 2025 and does not expect any in FY 2026 in relation to the wildfires.

17. If your Department is receiving Federal grants, including pass-through grants:

The Department does not receive any Federal grants.

- a. What amount is your Department receiving for routine operations?
- b. What amount is your Department receiving for August 2023 Maui Wildfires disaster recovery?
- c. Explain any factors that could jeopardize your receipt of Federal grants, including Federal policy changes, compliance requirements, or expiration dates.
- d. Explain how your Department will adjust if it does not receive the anticipated Federal grant funding.

Honorable Yuki Lei K. Sugimura, Chair
Budget Finance, and Economic Development Committee
March 28, 2025
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18. If your Department received funding to repair or replace equipment, locations, and structures destroyed in the wildfires, provide the current status for each. If there are items still pending repair or replacement, provide the estimated cost and timeline for the repair or replacement.

The Department does not receive any funding to repair or replace equipment, locations, and structures destroyed in the wildfires.

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

Thank you.

Sincerely,



LAYNE N. SILVA
Director of Liquor Control

LNS/lss

BFED Committee

From: Janina E. Agapay <Janina.E.Agapay@co.maui.hi.us>
Sent: Friday, March 28, 2025 3:22 PM
To: BFED Committee
Cc: Lesley J. Milner; Lianne S. Suzuki; Misty K. Nakoa
Subject: (BFED-1)(LC-01)
Attachments: (BFED-1)(LC-01).pdf

Hello,

Please see attached (BFED-1)(LC-01).

Thank you,

Janina Agapay

County of Maui | Budget Office

Phone: (808) 270-7836

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