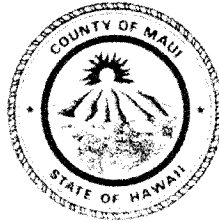


MICHAEL P. VICTORINO
Mayor

GLENN MUKAI
Director

GEORGETTE C.R. TYAU
Deputy Director



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OFFICE OF THE MAYOR

DEPARTMENT OF LIQUOR CONTROL
COUNTY OF MAUI
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October 30, 2019

Honorable Michael P. Victorino
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL



Mayor Date 10/30/19

2019 OCT 31 AM 9:49

For Transmittal to:

Honorable Yuki Lei Sugimura
Chair, Multimodal Transportation Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Sugimura:

SUBJECT: ROADWAY SAFETY (MT-10(8))

1. *In the Fiscal Year 2020 Budget, the Council approved a \$25,000 proviso for the Department to contract for a comprehensive review of liquor rules. Provide a status update and an anticipated completion date for the review.*

The Liquor Commission was informed of the funding and the proviso of "professional services to update the Rules Governing the Manufacture and Sale of Intoxicating Liquor of the County of Maui pursuant to audit recommendations."

The Liquor Commission has the sole jurisdiction, power, authority, and discretion to make, amend, and repeal such rules, not inconsistent with chapter 281, HRS, as in the judgment of the commission seem appropriate for carrying out this chapter and for the efficient administration thereof, and the proper conduct of the business of all licensees, including every matter or thing required to be done or which may be done with the approval or consent or by order or under the direction or supervision of or as prescribed by the commission;

which rules, when adopted as provided in chapter 91 shall have the force and effect of law; (281-17(4)).

As a result, the Liquor Commission in its continuing comprehensive review has adopted, amended, or deleted over one hundred rules within forty plus sections of the Rules of the Liquor Commission to address changes in the liquor industry, state laws, and concerns addressed by the participants. The Liquor Commission and the Department of the Corporation Counsel is currently reviewing additional rule amendments submitted for consideration.

The Department has received input from the Mayor, Office of Management, County Council , Department of the Prosecuting Attorney, Department of the Corporation Counsel, other governmental agencies, the Liquor Commission, Liquor Control Adjudication Board, Small Business Review and Advisory Committee, licensees, organizations representing licensees, not for profit organizations, legal counsels, and the public which have resulted in the Commission holding eight public hearings, August 10, 2016, February 8, 2017, July 12, 2017, September 13, 2017, December 12, 2018, May 8, 2019, June 12, 2019, and July 12, 2019 for the adoption, amendment, or deletion of the Rules of the Liquor Commission, County of Maui.

2. *At the September 30, 2019 meeting, the Committee heard from representatives from Mothers Against Drunk Driving, Maui Nui Youth Council, and Maui Coalition for Drug-Free Youth, all of whom were interested in being part of a citizens' advisory group for input to the Department and Liquor Control Commission, similar to the Small Business Advisory Committee.*

- a. *What is the Department's commitment to forming a citizens' advisory group?*

The Department will consult, research and seek guidance regarding the forming of a citizens' advisory group.

- b. *Please describe the process of how the Small Business Advisory Committee was formed and how members were selected.*

The Small Business Review and Advisory Committee was formed in the late 1990s or early 2000s to address the Small Business Flexibility Act. Associations representing licensees (Maui Hotel Association, Hawaii Hotel Association, Hawaii Restaurant Association, Hawaii Retail Liquor Dealers Association, etc.), licensees from various classes of licenses and other recommendations were utilized in the selection of members. Recommendations were based on licensees who were active,

knowledgeable, involved and/or respected in their specific license class (eg: James Coon, Trilogy, President of Maui County Boaters & Ocean Affiliate Transport; Debbie Cabebe, Executive Director, MEO, Maui Non-Profit Directors Association; Executive Director of Maui Hotel & Lodging Association representing over one hundred licensees; etc.)

3. *When amendments to Liquor Rules are submitted, what is the process for making these changes available to the general public for input and comment?*

The general public may submit oral or written testimony to any adoption, amendment, or deletion of any rules at the public hearing pursuant to Hawaii Revised Statutes. The notice of public hearing is provided to all persons who have made a timely written request for advance notice of its rulemaking proceedings and published at least once in a newspaper of general circulation in the State at least thirty days prior to the public hearing. The notice of public hearing informs the public that copies of the proposed rule amendments may be viewed or downloaded from the Department of Liquor Control webpage or mailed to any interested person.

Is the public made aware of the individual or organization submitting the rule changes?

Individuals or organizations that petition the Liquor Commission for the adoption, amendment, or deletion of the Rules of the Liquor Commission are noted on the agenda.

Sincerely,



Glenn Mukai, Director
Department of Liquor Control

GM/gcrt