

DEPARTMENT OF LIQUOR CONTROL

Mission Statement:

To protect the health, safety and welfare of the residents of Kauai County by effectively and fairly enforcing Federal and State laws and County liquor rules as they apply to the manufacture, sale and distribution of alcoholic beverages.

Program Description:

The Department of Liquor Control, as authorized by State statute, is responsible for enforcement of Section 281 of the Hawaii Revised Statutes and the rules of the liquor commission. The department also serves as the staff for the seven-member commission that has the sole jurisdiction to approve or renew liquor license applications, and also suspend or revoke a license once it has been issued. Currently, the commission meets twice monthly and performs both regulatory and adjudication functions.

The liquor department is divided into three distinctive branches with specific functions and responsibilities, all working toward the same mission.

Department Goals:

The goals of the Department of Liquor Control are:

1. To meet the public's expectations by monitoring the manufacture, distribution, and sale of alcoholic beverages in the County of Kauai.
2. To provide the highest level of service to the licensees in the County of Kauai and assist them in conducting a lawful and profitable business.

Duties, Powers, and Functions of the Department:

The department provides the administrative services for the commission. It investigates all applications for liquor licenses and compiles all the facts and statistics on all matters before the commission.

The department has police powers to enforce the liquor laws. It inspects all liquor licensed premises to insure compliance with the liquor laws and the commission's rules and regulations. It investigates all alleged violations and complaints of alleged violations and reports all violations to the commission.

The department, upon request, provides instructions on the liquor laws and the commission's rules and regulations to the Police Department, to servers' classes, and to employees in liquor licensed premises.

Staff (as of June 30, 2012)

Eric Honma	Director
Gerald Rapozo	Investigator IV
Lorenzo Moises	Investigator III
Cecilio Baliaris, Jr.	Investigator II
Jonathan Hoomanawanui	Investigator I
Christine Nakaahiki	Commission Secretary
Thomas Teragawa	Senior Clerk

LIQUOR CONTROL COMMISSION

<u>June 30, 2012</u>	<u>For Term Expiring:</u>
William Gibson, Chair	December 31, 2013
Gary Pacheco, Vice Chair	December 31, 2014
Gerald Matsunaga	December 31, 2012
Josephine Sokei	December 31, 2012
Shirley Akita	December 31, 2013
Dane Oda	December 31, 2013
Clifford Nakea	December 31, 2014

Liquor Control Commission Goals:

The goal of the Liquor Control Commission is to fairly enforce all provisions of Section 281 of the Hawaii Revised Statutes and the Rules and Regulations of the Liquor Control Commission of the County of Kauai.

Duties, Powers, and Functions of the Commission:

The basic function of the commission is to control, supervise, and regulate the manufacture, importation, and sale of liquor within the county.

Article XVI of the Charter of the County of Kauai states in part:

"Section 16.04. Powers and Duties of Commission. The liquor control commission shall:

A. Adopt rules and regulations having the force and effect of law for the administration of liquor control in the county and to enforce the liquor control laws.

B. Grant, refuse, suspend and revoke any license for the manufacture, importation and sale of liquors.

C. Investigate violations of liquor control laws through its inspectors, hear and determine all complaints and citations regarding violations of liquor control laws and impose such fines or penalties as may be provided by law upon conviction thereof."

The commission meets on the first and third Thursdays of each month to carry out its duties and responsibilities. Special meetings are scheduled as needed.

ADMINISTRATION

Program Description:

The administrative branch consists of the director, commission/department secretary and senior clerk. This branch provides services to the regulatory and enforcement branches, the liquor commission, as well as licensees and the general public.

Program Highlights:

The department received 192 applications for renewal of licenses for fiscal year 2011 - 2012. During the year, the commission issued 22 new licenses, 63 one-day transient vessel licenses, 42 special licenses, and 3 solicitor's permit. The commission approved 7 transfer of license applications.

ENFORCEMENT BRANCH

Program Description:

The enforcement branch is comprised of a senior investigator who serves as the immediate supervisor, and field investigators who are responsible for conducting daily inspections and investigations on possible liquor law violations. They also assist the licensees to interpret and understand the liquor laws that regulate their particular operation.

Training sessions and workshops for servers of alcoholic beverages are being offered to all licensees. Public information sessions and presentations will be made available to the general public.

Inspections of liquor licensed premises are conducted daily by the liquor control investigators. Inspections are conducted to insure compliance with the laws and to assist licensees in preventing violations from occurring. The investigators made a total of 8,849 inspections during the year.

Program Highlights:

There were 70 violation reports filed, 185 field investigations conducted, and 122 warnings given to licensees by the investigators. Investigations include, but are not limited to license applications, special requests by licensees, and complaints. As a result of violation hearings, the commission collected a total of \$39,300 in fines.

The enforcement branch investigated 31 cases involving illegal liquor sales to minors and adults purchasing for minors. Investigators also conducted surveillances on 195 occasions.

REGULATORY BRANCH

Program Description:

The regulatory branch is primarily responsible for the licensing process, which involves applications for the fifteen classes of liquor licenses and collecting all mandatory information as required by State law and the liquor commission rules. The regulatory branch investigates all license applications before they are submitted to the commission for disposition. A total of 156 investigations on applications for liquor licenses were conducted during this fiscal year. The regulatory branch, in coordination with the enforcement branch, also processes citations for hearings before the commission.

PERSONNEL POSITION SUMMARY

<u>Position Title</u>	<u>FY 2010 E/P</u>	<u>FY 2011 E/P</u>	<u>FY 2012 E/P</u>
Director	1.0	1.0	1.0
Senior Clerk	1.0	1.0	1.0
Secretary	1.0	1.0	1.0
Liquor Control Investigator IV	1.0	1.0	1.0
Liquor Control Investigator III	--	1.0	1.0
Liquor Control Investigator II	2.0	1.0	1.0
Liquor Control Investigator I	1.0	1.0	1.0
Liquor Control Investigator Trainee	--	1.0	--
TOTAL	<u>7.0</u>	<u>8.0</u>	<u>7.0</u>

Equivalent Personnel (E/P) = Full-time equivalents of full- and part-time personnel.

Program Resources (Liquor Fund)

Expense Type	FY 2010 Actual	FY 2011 Appropriation	FY 2012		
			Request	Expansion	Total
Equivalent Personnel (E/P)	7.0	8.0	8.0	0.0	8.0
Salaries and Wages	\$433,082	\$ 488,784	\$ 428,213	\$0	\$ 428,213
Operations	450,410	1,099,809	627,239	0	627,239
Equipment	2,765	13,619	14,031	0	14,031
Program Total	\$886,257	\$1,602,212	\$1,069,483	\$0	\$1,069,483

APPLICATIONS FOR LIQUOR LICENSES 2011-2012

TYPE	Pending 6/30/11	Filed FY 2011 - 2012	Total Applications	Licenses Issued	Applications Withdrawn	Applications Denied	Applications Pending 6/30/12
RENEWALS	5	192	197	185			12
NEW	6	20	26	22			4
CHANGE OF LOCATION							
CHANGE OF CATEGORY							
TRANSFER	5	2	7	7			
TEMPORARY (INCLUDES RENEWAL)		3	3	3			
TRANSIENT VESSEL:							
ANNUAL		1	1	1			
2-DAY							
1-DAY		63	63	63			
SPECIAL:							
3-DAY GENERAL		33	33	33			
2-DAY GENERAL							
1-DAY GENERAL		6	6	6			
3-DAY BEER & WINE							
2-DAY BEER & WINE							
1-DAY BEER & WINE		3	3	3			
1-DAY BEER							
SOLICITOR'S PERMIT:							
GENERAL		3	3	3			
BEER & WINE							
TOTAL	16	326	342	326			16

LIQUOR LICENSES ISSUED

CLASS	KIND	07/01/11	06/30/12
WHOLESALE	GENERAL	7	7
	BEER & WINE	0	0
RETAIL DEALER	GENERAL	65	64
	BEER & WINE	13	13
RESTAURANT	GENERAL	64	65
	BEER & WINE	4	4
DISPENSER	GENERAL	19	19
	BEER & WINE	2	2
CABARET	GENERAL	1	1
HOTEL	GENERAL	11	12
TOUR OR CRUISE VESSEL	GENERAL	9	9
TRANSIENT VESSEL (ANNUAL)	GENERAL	1	1
BREW PUB		1	0
MANUFACTURER	BEER	0	0
	WINE	1	1
	LIQUOR	2	2
TOTAL		200	200

STATEMENT OF REVENUES
FISCAL YEAR 2011 – 2012

LIQUOR FUND REVENUES:

Manufacturer:	Beer	\$	--	
	Percentage Fee		--	
	Wine		408.00	
	Percentage Fee		168.56	
	Other Liquors		1,296.00	
	Percentage Fee		--	
			<u> </u>	\$ 1,872.56
Wholesale:	General	\$	8,400.00	
	Beer & Wine		--	
			<u> </u>	8,400.00
Retail:	General	\$	32,720.00	
	Percentage Fee		278,420.69	
	Beer & Wine		1,980.00	
	Percentage Fee		4,843.98	
			<u> </u>	317,964.67
Dispenser:	General	\$	9,640.00	
	Percentage Fee		39,048.78	
	Beer & Wine		360.00	
	Percentage Fee		57.37	
			<u> </u>	49,106.15
Restaurant:	General	\$	29,800.00	
	Percentage Fee		138,858.54	
	Beer & Wine		720.00	
	Percentage Fee		3,012.31	
			<u> </u>	172,390.85
Cabaret:		\$	600.00	
	Percentage Fee		2,768.40	
			<u> </u>	3,368.40
Club:		\$	240.00	
	Percentage Fee		377.56	
			<u> </u>	617.56
Hotel:		\$	10,800.00	
	Percentage Fee		102,003.44	
			<u> </u>	112,803.44
Brewpub:		\$	--	
	Percentage Fee		3,004.74	
			<u> </u>	3,004.74
Tour or Cruise Vessel:		\$	2,160.00	
	Percentage Fee		1,540.91	
			<u> </u>	3,700.91
Transient Vessel		\$	2,979.00	2,979.00

STATEMENT OF REVENUES
FISCAL YEAR 2011 – 2012

LIQUOR FUND REVENUES: (Cont'd.)

Special:	General	\$ 3,465.00	
	Beer & Wine	72.00	
	Beer	<u> --</u>	3,537.00
Temporary		\$ 180.00	180.00
Solicitor's Permit		\$ 480.00	480.00
Direct Shipper Permit		\$ 15,416.00	<u>15,416.00</u>
	TOTAL LIQUOR FUND REVENUES		\$ 695,821.28

OTHER LIQUOR REVENUES:

Filing Fees	\$	--	
Fines Imposed		39,300.00	
Sale of Pamphlets		325.00	
Miscellaneous		<u> 11.00</u>	
	TOTAL OTHER LIQUOR REVENUES		\$ <u>39,636.00</u>
	TOTAL REVENUES		\$ <u><u>735,457.28</u></u>

GROSS LIQUOR SALES AT CONSUMER LEVEL

