

STAND. COM. REP. NO.

556

Honolulu, Hawaii

Feb 20, 2009

RE: H.B. No. 563

H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Fifth State Legislature  
Regular Session of 2009  
State of Hawaii

Sir:

Your Committee on Economic Revitalization, Business, &  
Military Affairs, to which was referred H.B. No. 563 entitled:

"A BILL FOR AN ACT RELATING TO INTOXICATING LIQUOR,"

begs leave to report as follows:

The purpose of this bill is to require class 5 liquor licensees, which include businesses authorized to sell liquor for consumption on the premises, to maintain liquor liability insurance coverage to be eligible for licensing, and license transfers and renewals.

The Honolulu Liquor Commission, Honolulu Department of Liquor Control, and Outrigger Hotels opposed this bill.

Liquor liability insurance protects a business against loss or damages caused by an intoxicated patron. Your Committee finds that all businesses who sell liquor for consumption on the premises should be required to maintain this coverage and share in its cost.

Your Committee has amended this bill by removing language that would require liquor commissions to enforce the insurance requirement beyond the licensing context.

As amended, this bill requires an applicant to show proof of the required liquor liability insurance coverage to obtain a license or license renewal, or to transfer a license.

HB563 HD1 HSCR EBM HMS 2009-2279



As affirmed by the record of votes of the members of your Committee on Economic Revitalization, Business, & Military Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 563, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 563, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Revitalization, Business, &  
Military Affairs,



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ANGUS L.K. MCKELVEY, Chair



