

Honolulu, Hawaii

March 25, 2009

RE: S.B. No. 300
S.D. 2
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 S.B. No. 300, S.D. 2, entitled:

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

begs leave to report as follows:

The purpose of this bill is to ensure that liquor licensees who sell liquor for consumption on the licensee's premises share in the cost of liquor liability insurance, by:

- (1) Requiring restaurants, retail dealers, dispensers, clubs, cabarets, hotels, caterers, and condominium hotels holding certain classes of liquor licenses to carry liquor liability insurance as a condition of acquiring, transferring, or renewing a license; and
- (2) Requiring liquor liability insurers to notify the Liquor Commission upon a termination, rejection, or nonrenewal of a licensee's coverage.

The Hawaii Insurers Council, Hawaii County Office of Liquor Control, Maui County Department of Liquor Control, Kauai County Department of Liquor Control, and the City and County of Honolulu Liquor Commission opposed this bill. The Hawaii Food Industry Association submitted comments.



Your Committee has amended this measure by deleting its contents and inserting the substance of H.B. No. 563, H.D. 1, Regular Session of 2009, which requires class 5 dispenser liquor licensees to carry liability insurance as a condition of acquiring, transferring, and renewing a license.

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 S.B. No. 300, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 300, S.D. 2, H.D. 1, and be referred to the Committees on Consumer Protection & Commerce and Judiciary.

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



ANGUS L.K. MCKELVEY, Chair



