

Honolulu, Hawaii

APR 07 2017

RE: H.B. No. 1465
H.D. 2
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Judiciary and Labor, to which was referred
H.B. No. 1465, H.D. 2, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO LIQUOR,"

begs leave to report as follows:

The purpose and intent of this measure is to update statutory
language on liquor license application and operating procedures.
Specifically, this measure:

- (1) Includes member managed and manager managed limited
liability companies under liquor licensing statutes;
- (2) Allows liquor license holders to avoid license transfers
upon admission or withdrawal of members or owners of the
license holding entity by notifying the liquor
commission within a set period of time after a change in
membership or ownership of the license holding entity;
and
- (3) Clarifies conditions under which publicly-traded
companies or entities solely owned by a publicly-traded
entity may be disqualified for licensure.

Your Committee received testimony in support of this measure
from the Maui Hotel & Lodging Association and two individuals.



Your Committee finds that the efficient and equitable treatment of businesses in any licensing process is essential for cultivating a robust economy that benefits the public. Existing statutes relating to liquor licensing are outdated, do not reflect the current state of business practice in the State, including modern forms of business organization such as limited liability companies, make the licensing process inefficient, and serve as an impediment to business.

Your Committee has amended this measure by:

- (1) Inserting language that allows the liquor commission to issue a temporary license when an applicant, transferor, or transferee is actively challenging a tax matter that prevents the issuance of the appropriate certificate; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary and Labor that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1465, H.D. 2, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1465, H.D. 2, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Judiciary and
Labor,


GILBERT S.C. KEITH-AGARAN, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Judiciary and Labor
JDL

Bill / Resolution No.:* HB 1465 HD2 SD1	Committee Referral: PSM/CPH, JDL	Date: 4/4/17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KEITH-AGARAN, Gilbert S.C. (C)	✓			
RHOADS, Karl (VC)	✓			
GABBARD, Mike				✓
KIM, Donna Mercado	✓			
THIELEN, Laura H.	✓			
TOTAL	4	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Karl Rhoads</i>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes