

STAND. COM. REP. NO. 118

Honolulu, Hawaii

FEB 10 2021

RE: S.B. No. 922
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 922 entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Limit the period of years that criminal convictions may be used by the liquor commission in review of an application to the most recent ten years; and
- (2) Mandate an applicant to disclose specific disqualifying convictions related to certain federal or state laws related to products regulated pursuant to certain provisions of the Internal Revenue Code or the Federal Alcohol Administration Act.

Your Committee received testimony in support of this measure from the Hawaiian Craft Brewers Guild and two individuals.

Your Committee finds that existing law requires liquor license applicants (and, in certain instances, the officers and board of directors of companies who are designated as decision-makers regarding the sale or purchase of liquor) to report any conviction other than minor traffic violations going back to eighteen years of age, which exceeds requirements established by



the federal government. This requirement is overly burdensome and can have the effect of discouraging business or employment. This measure establishes a ten-year lookback period for criminal convictions, which is the standard for many other applications, while still mandating an applicant to disclose specific disqualifying convictions from any time related to products regulated pursuant to certain provisions of the Internal Revenue Code and Federal Alcohol Administration Act to better serve the public interest.

Your Committee has amended this measure by 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 Commerce and Consumer Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 922, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 922, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on
behalf of the members of the
Committee on Commerce and
Consumer Protection,



ROSALYN H. BAKER, Chair



The Senate
Thirty-First Legislature
State of Hawai'i

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* SB 922	Committee Referral: CPN, JDC	Date: 2-5-2021		
<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
BAKER, Rosalyn H. (C)	/			
CHANG, Stanley (VC)	/			
MISALUCHA, Bennette E.	/			
NISHIHARA, Clarence K.	/			
RIVIERE, Gil	/			
SAN BUENAVENTURA, Joy A.	/			
FEVELLA, Kurt	/			
TOTAL	7	—	—	—
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Clarence K. Nishihara</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