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## A BILL FOR AN ACT

RELATING TO LIQUOR INSURANCE.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that due to market  
2 conditions in the industry, obtaining liquor liability insurance  
3 has become increasingly difficult and is extremely cost-  
4 prohibitive. The legislature further finds that since virtually  
5 all establishments that hold specific classes of liquor licenses  
6 have general liability insurance, either because it is required  
7 in their lease or as good business practice, requiring these  
8 establishments to maintain specific liquor liability insurance  
9 in addition to regular liability coverage is not necessary.

10           Accordingly, the purpose of this Act is to remove the  
11 requirement that establishments holding specific classes of  
12 liquor licenses maintain liquor liability insurance.

13           SECTION 2. Section 281-31, Hawaii Revised Statutes, is  
14 amended by amending subsection (s) to read as follows:

15           "(s) Restaurants, retail dealers, dispensers, clubs,  
16 cabarets, hotels, caterers, brewpubs, condominium hotels, bring-  
17 your-own-beverage establishments, and small craft producer pubs



1 licensed under class 2, class 4, class 5, class 6, class 11,  
2 class 12, class 13, class 14, class 15, class 17, and class 18  
3 shall maintain at all times [~~liquor~~] liability insurance  
4 coverage in an amount not less than \$1,000,000; provided that  
5 convenience minimarts holding a class 4 license shall not be  
6 required to maintain [~~liquor~~] liability insurance coverage in  
7 that amount. Proof of coverage shall be kept on the premises  
8 and shall be made available for inspection by the commission at  
9 any time during the licensee's regular business hours. In the  
10 event of a licensee's failure to obtain or maintain the required  
11 coverage, the commission shall refuse to issue or renew a  
12 license or shall suspend or terminate the license as  
13 appropriate. No license shall be granted, reinstated, or  
14 renewed until after the required insurance coverage is  
15 obtained."

16 SECTION 3. Statutory material to be repealed is bracketed  
17 and stricken.

18 SECTION 4. This Act shall take effect upon its approval.



# H.B. NO. 2206

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INTRODUCED BY:

*Ch. Colby (BR)*

JAN 22 2024



# H.B. NO. 2206

**Report Title:**

Liquor Liability Insurance; Liquor License; Requirements

**Description:**

Removes the requirement that establishments holding specific classes of liquor licenses maintain liquor liability insurance.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

