

STAND. COM. REP. NO. **320**

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 300
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Transportation, International and Intergovernmental Affairs, to which was referred S.B. No. 300 entitled:

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

begs leave to report as follows:

The purpose of this measure is to require:

- (1) The holder of a Class 5 liquor dispenser license to carry liability insurance as a condition of acquiring and renewing a license; and
- (2) Liquor liability insurers to notify the county liquor commissions upon a termination, rejection, or nonrenewal of a licensee's coverage.

Your Committee received testimony in support of this measure from TS Restaurants. Written testimony presented to the Committee may be reviewed on the Legislature's website.

Your Committee finds that liquor licensees have a high exposure to potential lawsuits for personal injuries for the serving of liquor to patrons who may excessively imbibe and then cause an accident to a third party. The provision of general liability insurance would mitigate such exposure.

Your Committee notes the testimony to the effect that the cost of liquor liability insurance may be prohibitive for many

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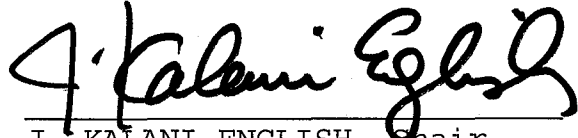


smaller establishments. Your Committee defers to the Committee on Commerce and Consumer Protection to address this issue.

Your Committee has amended this measure by changing the article and part of the Insurance Code in which the new law is to be situated and making technical, nonsubstantive amendments.

As affirmed by the record of votes of the members of your Committee on Transportation, International and Intergovernmental Affairs that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 300, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 300, S.D. 1, and be referred to the Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Transportation,
International and
Intergovernmental Affairs,


J. KALANI ENGLISH, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Transportation, International and Intergovernmental Affairs
TIA

Bill / Resolution No.:* SB 300	Committee Referral: TIA, CPN	Date: 2-18-09		
<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
ENGLISH, J. Kalani (C)	✓			
GABBARD, Mike (VC)	✓			
ESPERO, Will	✓			
NISHIHARA, Clarence K.	✓			
SLOM, Sam	✓			
TOTAL	5	—	—	0
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes