

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 300

S.D. 2

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

Madam:

Your Committee on Commerce and Consumer Protection, to which was referred S.B. No. 300, S.D. 1, 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.

Testimony in support of the measure was submitted by TS. Restaurants and one private citizen. Testimony in opposition to this measure was submitted by Outrigger Hotels. Written testimony presented to your Committee may be reviewed on the Legislature's website.

Your Committee finds that this measure is intended to protect the citizens who are involved in an accident with an intoxicated person when there is a connection under the State Dram Shop Law, chapter 663, Hawaii Revised Statutes, to the establishment that served the individual. The Dram Shop Laws establish joint and several responsibility for all establishments that fall into a chain of serving and responsibility. Your Committee finds that in



order for this measure to guarantee that funds would be available for settlement proportionately from the responsible parties, the liability insurance requirements should apply to all licensees who serve liquor for the customers' consumption on-site.

Your Committee has amended this measure by applying the liability insurance requirements to restaurants, retail dealers, dispensers, clubs, cabarets, hotels, caterers, and condominium hotels licensed under Class 2, Class 4, Class 5, Class 6, Class 11, Class 12, Class 13, and Class 14 liquor licenses.

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. 300, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 300, S.D. 2.

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



ROSALYN H. BAKER, Chair



The Senate
Twenty-Fifth Legislature
State of Hawaii

Record of Votes
Committee on Commerce and Consumer Protection
CPN

Bill / Resolution No.:* <i>SB 300, SDI</i>	Committee Referral: <i>TIA, CPN</i>	Date: <i>3/3/2009</i>		
<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)	✓			
IGE, David Y. (VC)	✓			
ESPERO, Will	✓			
GREEN, M.D., Josh				✓
IHARA, Jr., Les	✓			
SAKAMOTO, Norman	✓			
HEMMINGS, Fred	✓			
TOTAL	<i>6</i>			<i>1</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <div style="text-align:center;"><i>David Y. Ige</i></div>				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes