

Honolulu, Hawaii

February 9, 2015

RE: H.B. No. 293
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2015
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 293 entitled:

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

begs leave to report as follows:

The purpose of this measure is to improve the efficiency of the liquor license application and renewal process by authorizing county liquor commissions to accept a certificate of vendor compliance issued by the State Procurement Office as satisfactory evidence of an applicant's tax clearance with the Internal Revenue Service and Department of Taxation.

The Liquor Commission of the City and County of Honolulu testified in support of this measure. The State Procurement Office provided comments.

Currently, an applicant for a new liquor license, or an applicant for a transfer or renewal of an existing liquor license, must produce a signed certificate from the Department of Taxation and the Internal Revenue Service showing that the applicant does not owe the State or federal government any delinquent taxes, penalties, or interest. Compliance with this requirement can be difficult and cumbersome, especially when large volumes of license renewals are received, causing delays in license issuance or renewals that may result in an applicant experiencing a break in liquor service or sales. Allowing the use of certificates of vendor compliance, which certify that a vendor is compliant with



all applicable laws and are issued by Hawaii Compliance Express would help to streamline the liquor license application and renewal process.

Your Committee was informed by the State Procurement Office that certificates of vendor compliance are issued by Hawaii Compliance Express and not the State Procurement Office. Accordingly, your Committee has amended this bill by changing the reference to the State Procurement Office as the agency that issues the certificate of vendor compliance to Hawaii Compliance Express.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 293, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 293, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



DEREK S.K. KAWAKAMI, Chair



State of Hawaii
House of Representatives
The Twenty-eighth Legislature

ASCA 37

Record of Votes of the Committee on Economic Development & Business

Bill/Resolution No.: <i>HB 293</i>	Committee Referral: <i>COB, CPC</i>	Date: <i>3 Feb 15</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EDB Members	Ayes	Ayes (WR)	Nays	Excused
1. KAWAKAMI, Derek S.K. (C)	✓			
2. KONG, Sam Satoru (VC)	✓			
3. BROWER, Tom	/			
4. CACHOLA, Romy M.	/			
5. CHOY, Isaac W.	/			
6. ITO, Ken	.			/
7. OHNO, Takashi	✓			
8. ONISHI, Richard H.K.	✓			
9. TOKIOKA, James Kunane	/			
10. TSUJI, Clift	✓			
11. WOODSON, Justin H.	/			
12. MATSUMOTO, Lauren Kealohilani	✓			
13. WARD, Gene	/			
TOTAL (13)	12			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>James O'Keefe</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				