STAND. COM. REP. NO. 335

Honolulu, Hawaii

FEB 1 5 2007

RE: S.B. No. 1249

S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2007 State of Hawaii

#### Madam:

Your Committees on Tourism and Government Operations and Intergovernmental and Military Affairs, to which was referred S.B. No. 1249 entitled:

"A BILL FOR AN ACT RELATING TO LIQUOR,"

beg leave to report as follows:

The purpose of this measure is to create a new category of liquor license for condominium hotels.

Your Committees received testimony in support of this measure from the Hawai'i Hotel & Lodging Association, Outrigger Hotels & Resorts, and the four county liquor commissions. Comments were received from the State Attorney General.

Your Committees find that the advent of the condominium hotel ownership and operating structure is a relatively new concept that has recently been gaining in popularity in the State. While many former hotel operations have converted to a condominium hotel ownership and operating structure, this new structure has created an interpretation and application problem with respect to liquor licensing laws. Specifically, the restrictive nature of the definition of "premises" contained in the existing Class 12 hotel liquor licensing requirements would require that a licensed liquor establishment be situated and operated on the hotel portion, not the condominium portion, of the condominium hotel. Such a restrictive interpretation could lead to the inconsistent application and enforcement of liquor licensing laws when trying

to fit condominium hotels into the existing liquor licensing framework for hotels.

Your Committees believe that creating a new liquor licensing category to specifically address the unique ownership and operational structure of condominium hotels would promote the consistent interpretation and application of liquor licensing laws. Your Committees also believe that the establishment of a separate category for condominium hotel liquor licenses is necessary to provide adequate quidance to county liquor commissioners to ensure that the liquor licensing laws that govern the sale of liquor on such premises are uniformly interpreted and applied throughout a respective county's jurisdiction.

Your Committees have amended this measure by making technical, nonsubstantive amendments for clarity and style.

As affirmed by the records of votes of the members of your Committees on Tourism and Government Operations and Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1249, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1249, S.D. 1, and be referred to the Committee on Commerce, Consumer Protection, and Affordable Housing.

> Respectfully submitted on behalf of the members of the Committees on Tourism and Government Operations and Intergovernmental and Military Affairs,

Graine K. Monge Clarena & Brisiher

### The Senate Twenty-Fourth Legislature State of Hawaii

## Record of Votes Committee on Tourism and Government Operations TSG

Bill / Resolution No.:*	Committee Referral:		D:	Date:			
SB1249	TSG/IGM, CPH			2-8-07			
The committee is reconsidering its previous decision on this measure.  If so, then the previous decision was to:							
The Recommendation is:							
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313							
Members	· ·	Aye	Aye (WR)	Nay	Excused		
NISHIHARA, Clarence K. (C)		/					
KIM, Donna Mercado (VC)							
TSUTSUI, Shan S.							
TRIMBLE, Gordon							
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TOTAL		4					
Recommendation:  Adopted Not Adopted							
Chair's or Designee's Signature:							
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency							

<sup>\*</sup>Only one measure per Record of Votes

### The Senate Twenty-Fourth Legislature State of Hawaii

# Record of Votes Committee on Intergovernmental and Military Affairs IGM

SB 1249 Committee Referral: Date: 2/8/07						
The committee is reconsider	ring its previous de	cision on this	s measure.			
If so, then the previous decision	າ was to:			·		
The Recommendation is:		·	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313						
Members	Aye	Aye (WR)	Nay	Excused		
INOUYE, Lorraine R. (C)						
TSUTSUI, Shan S. (VC)						
HEMMINGS, Fred				<b>\</b>		
			·			
TOTAL	2	·		)		
Recommendation:  Adopted Not Adopted						
Chair's or Designee's Signature:		·				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency						

Revised: 12/18/06