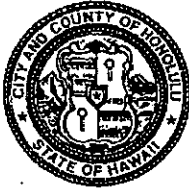


LIQUOR COMMISSION
CITY AND COUNTY OF HONOLULU
711 KAPIOLANI BOULEVARD, SUITE 600 • HONOLULU, HAWAII 96813-5249
PHONE: (808) 768-7300 or (808) 768-7355 • FAX: (808) 768-7311
E-mail address: liquor@honolulu.gov • INTERNET: www.honolulu.gov/liq

PETER B. CARLISLE
MAYOR



February 28, 2011

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Representative Gilbert S.C. Keith-Agaran, Chair
Representative Karl Rhoads, Vice Chair
Committee on Judiciary

Hearing: Tuesday, March 1, 2011
2:00 pm; Room 325

Position: Support HB 747 Relating to Liquor Liability Insurance

The Departments of Liquor Control of the Counties of Hawaii, Kauai, and Maui and the City and County of Honolulu Liquor Commission **strongly support** HB 747 and urge its passage.

This bill will clarify requirements applicable to licensees by deleting the Class 4 Retail Dealer liquor license from the requirement to maintain at all times liquor liability insurance coverage in an amount not less than \$1,000,000, and to delete the related exception for "convenience minimarts." The Class 4 Retail Dealer is an off-premises consumption liquor license and as such, should be included with other off-premises consumption liquor licenses (e.g., Class 1 Manufacturer and Class 3 Wholesale Dealer) for purposes of non-inclusion in the liquor liability insurance requirement.

Thank you for the opportunity to testify on this measure, and we respectfully request your action on this matter.

Respectfully submitted,

Gerald Takase, Director
County of Hawaii

Eric Honma, Director
County of Kauai

Committee on Judiciary
Hearing: Tuesday, March 1, 2011
2:00 pm; Room 325

Franklyn Silva, Director
County of Maui


Anna C. Hirai, Acting Administrator
Liquor Commission

**TESTIMONY OF ROBERT TOYOFUKU ON BEHALF OF THE HAWAII
ASSOCIATION FOR JUSTICE (HAJ) IN OPPOSITION TO H.B. No. 747**

March 1, 2011

To: Chairman Gilbert Keith-Agaran and Members of the House Committee on Judiciary:

My name is Bob Toyofuku and I am presenting this testimony on behalf of the Hawaii Association for Justice (HAJ) in OPPOSITION to H.B. No. 747, relating to Liquor Liability Insurance.

This measure proposes a repeal of the insurance requirement for retail sellers of alcoholic beverages. HAJ opposes this measure because retail sales are involved in drunk driving accidents caused by underage drivers who purchase alcoholic drinks at retail stores. While drinking at bars and clubs is often associated with drunk driving accidents, accidents involving minors are just as likely to involve retail sales where underage drivers purchase alcohol at a store for consumption in the car, at the beach or park, or at home. Although society no longer condones the sale of alcohol to underage drivers, there are still too many stores where alcohol (like cigarettes) is sold to underage customers.

There have been cases involving major retail sellers (like supermarkets) that have sold alcohol to underage drivers who, after drinking the alcohol, have been involved in major accidents involving death and serious injuries. The insurance requirement serves two important purposes. First, insurance requirements and premiums serve as a reminder and incentive to properly train and supervise sales clerks in the need to refuse sales to underage customers; and second, the insurance serves to protect innocent citizens who may be injured or killed in connection with alcohol sales to underage drivers.

HAJ strongly urges this committee to HOLD this measure and retain the incentive provided by the current insurance requirement to encourage retail sales compliance with prohibitions against sales to minors and to retain the protections afforded by insurance benefits to those injured or killed in connection with illegal sales of alcohol to underage drivers.

Thank you for this opportunity to testify in OPPOSITION to H.B. No. 747.