

Email to: JDCTestimony@Capitol.hawaii.gov
Hearing on: Friday, April 1, 2011 @ 9:15 a.m.
Conference Room #016

DATE: March 31, 2011

TO: Senate Committee on Judiciary & Labor
Senator Clayton Hee, Chair
Senator Maile Shimabukuro, Vice Chair

FROM: Allen Cardines, Jr., Executive Director

RE: **Opposition to:** SCR 155 REQUESTING A STUDY ON THE FEASIBILITY OF IMPLEMENTING A POWERBALL STATE LOTTERY

Mahalo for the opportunity to testify in **opposition** to this resolution. I am Allen Cardines, **representing the Hawaii Family Forum**. Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii, representing a network of various Christian Churches and denominations. We oppose this bill that would study the feasibility of creating a state lottery via powerball. The wording of the resolution does not hide the fact that its authors strongly believe a lottery could potentially bring much needed revenue into our state.

As you already know, Hawaii is among only two States (Utah and Hawaii) in the nation where all forms of gambling remain illegal. Proponents of legalized gambling in Hawaii boast of its promise of economic revitalization and prosperity. There may well be an element of truth to their claims; however, greater scrutiny reveals a far different story. While it may be true that legalized gambling could potentially yield some new jobs, the potential greater negative economic impact must also be considered. Not unlike the social costs associated with other addictive behaviors, compulsive gambling wreaks havoc on individuals, families, and communities.

The widespread proliferation of gambling on the mainland has produced very troubling consequences for the people and communities most closely associated with it. Those consequences include: increased violent crime, property crime, and drug-related crime; an increased influence of organized crime; increased addiction and family deterioration; a disproportionately adverse impact on youth and the poor; and, a net negative economic impact.

Gambling is often associated with crime. The relationship is easy to understand. Many types of gambling have been, indeed still are, illegal. Hence, by definition, criminals are the only operators of games. When gambling restrictions are relaxed, criminals are the first to open up legal gambling establishments.

hawaii family forum

Page Two

We should also point out the obvious. Lots of people in Hawaii travel to Las Vegas for fun and recreation. Those visits are 100% irrelevant to the simple issue at hand - should Hawaii become more like Las Vegas by legalizing gambling? To answer that question, we really should really take time to examine the data.

The data serves as a clarion call for all of us - a reminder of the compelling reasons the people of Hawaii and our elected representatives have consistently and steadfastly resisted the siren song of the big money gambling interests. It reminds us why "the Las Vegas effect" upon our islands would wreak havoc on our Ohana-based community and the aloha spirit.

How does Nevada rate in the nation? Nevada is number three in bankruptcies and abortions. Number four in rape, out of wedlock births and alcohol related death. Number five in crime, number six in prisoners locked up and number 50 in voter participation. This and other well-documented information is available through the Hawaii Coalition Against Legalized Gambling.

The lottery in many of the states that have them have proven to have the most regressive tax of all, where low-income and uneducated people bear the greatest burden of supporting it. In response to this data, the legislature should say unequivocally: "Not in my Backyard."

The lottery would be less problematic if we lived in a perfect world where all people who played it bought only one or two lottery tickets each week. Studies show that this is not the case. This is the reason that most of the States in which a lottery is legal has some form of Gamblers Anonymous — to help those who become addicted to gambling and cannot help themselves. It seems to me Hawaii is rather akamai for its continued rejection of legalized gambling. As we all know, Hawaii is special. This issue is no different - we are one of only three states in the nation that can boast of no legalized gambling. Let's work hard to keep it that way!

Mahalo for the opportunity to testify.

Charlotte A. Carter-Yamauchi
Acting Director

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LATE TESTIMONY



LEGISLATIVE REFERENCE BUREAU
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Written Comments

SCR155

REQUESTING A STUDY ON THE FEASIBILITY OF IMPLEMENTING A POWERBALL STATE LOTTERY

Comments by the Legislative Reference Bureau
Charlotte A. Carter-Yamauchi, Acting Director

Presented to the Senate Committee on Judiciary and Labor

Friday, April 1, 2011, 9:15 a.m.
Conference Room 016

Chair Hee and Members of the Committee:

I am **Charlotte Carter-Yamauchi**, Acting Director of the Legislative Reference Bureau. The Bureau appreciates this opportunity to submit the following written **comments** on Senate Concurrent Resolution No. 155:

Senate Concurrent Resolution No. 155 directs the Bureau to "conduct a study on the feasibility of implementing a Powerball, Mega Millions lottery, or both in the State."

While the Bureau takes no position on the merits of the measure, we wish to note a concern with the scope of the study as described under the measure.

The Bureau can research and report objective information on the different types of multi-state lotteries conducted across the nation and the reported revenues realized by the participating states. However, determining the *feasibility* of implementing a Powerball or Mega Millions lottery, or both, in the State entails more than just reporting on the abovementioned information.

Generally speaking, lotteries are a form of gambling, and the issue of gambling involves more than just factual, revenue-based considerations. As drafted, the intent of the measure is unclear as to whether the Bureau is to report on just the fiscal impacts and operational requirements of implementing a Powerball or Mega Millions lottery, or both, in the State, or if the Bureau is to include a review of the broader social, ethical, and moral impacts that gambling has on affected communities.

As such, if the Committee intends for the Bureau to undertake a feasibility study on authorizing multi-state lotteries in the State, we respectfully request that the issues to be studied be more specifically framed, so that the Bureau is able to provide the Legislature with the information it needs to make sound, fact-based policy decisions.

Thank you for this opportunity to provide written comments on this measure. If you have any questions, please do not hesitate to contact the Bureau at 587-0666.

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 31, 2011 3:41 PM
To: JDLTestimony
Cc: web@cartoonistforchrist.org
Subject: Testimony for SCR155 on 4/1/2011 9:15:00 AM

LATE TESTIMONY

Testimony for JDL 4/1/2011 9:15:00 AM SCR155

Conference room: 016
Testifier position: oppose
Testifier will be present: No
Submitted by: Lee McIntosh
Organization: Individual
Address:
Phone:
E-mail: web@cartoonistforchrist.org
Submitted on: 3/31/2011

Comments:

Mr. Chair and Members of the Committee on Judiciary and Labor:

Aloha, my name is Lee McIntosh. I live in Kau on the Big Island. I am not in favor of SCR 155, which creates a task force to research implementing a lottery. A lottery lures and entices individuals who cannot afford to participate, creating undue hardship on friends, family, and government welfare programs. If the State cannot operate on revenue generated from taxes and fees, then it is time to start cutting. As a suggestion, I recommend the Legislature look at cutting all programs and jobs created after 2003, when the State had a two-year general fund operating budget of \$7.6 billion and a \$152 million deficit. Hawaii cannot afford a lottery. Thank you for the opportunity to testify on SCR 155.



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DATE: March 31, 2011

TO: Senate Committee on Judiciary & Labor
Senator Clayton, Chair
Senator Maile Shimabukuro, Vice Chair

FROM: Walter Yoshimitsu, Executive Director

RE: **Opposition to SCR 155 | Requesting a Study on the Feasibility of Implementing a Powerball State Lottery**

Mahalo for the opportunity to testify. I am Walter Yoshimitsu, representing the Hawaii Catholic Conference. The Hawaii Catholic Conference is the public policy voice for the Roman Catholic Church in the State of Hawaii under the leadership of Bishop Larry Silva. We **oppose** this resolution because we strongly oppose gambling in any form.

The Catholic Church holds that gambling becomes morally problematic when it interferes with an individual's other duties or responsibilities. Observing that "the passion for gambling risks becoming an enslavement," the Catechism of the Catholic Church highlights the need for moderation to avoid addictions and unhealthy behaviors.

Using a legalized Lottery to fund education, supplement lost tourism revenue or any other public service is bad policy for many reasons. Funding necessary public services from gambling revenues is the antithesis of responsible fiscal management of public resources.

The Lottery is really a hidden and regressive tax on those least able to afford it - the struggling working poor and least among us. These are the people who buy Lottery tickets in disproportionate numbers, hoping for a lucky bet and a big win to boost them out of poverty.

In sharing the Catholic theological perspective on gambling, we believe that the promotion of the common good of society and the protection of individual rights should always be the primary goal of public policy. Accordingly, the potential negative consequences of an expanded "culture of gambling" needs to be carefully evaluated.

Please **OPPOSE** any form of gambling in Hawaii.