



NEIL ABERCROMBIE
Governor

MIKE MCCARTNEY
President and
Chief Executive Officer

Hawai'i Tourism Authority

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Testimony of
Mike McCartney
President and Chief Executive Officer
Hawai'i Tourism Authority
on
H.B. 2788
Relating to Gaming
House Committee on Tourism
Monday, February 13, 2012
9:15 a.m.
Conference Room 312

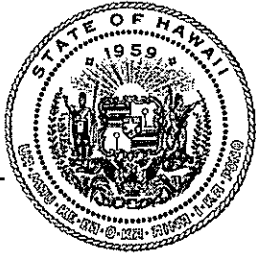
The Hawaii Tourism Authority (HTA) is the state's tourism agency responsible for marketing and promoting Hawaii as a global visitor destination.

We clearly recognize that gaming is a policy decision whose outcome will be determined by the Hawaii State Legislature. Our testimony and decision to oppose H.B. 2788 is based on HTA's organizational purpose and within the context of the Hawai'i Tourism Strategic Plan: 2005-2015 (State TSP).

In 2004, the HTA, with significant input from various community and industry stakeholders across the state, developed and adopted State TSP. The State TSP articulated a shared vision for tourism. The vision "honors Hawai'i's people and place; values and perpetuates Hawai'i's natural and cultural resources; engenders mutual respect among stakeholders; supports a vital and sustainable economy; and provides a unique, memorable and enriching visitor experience."

The HTA is proud of the collective and thoughtful efforts that helped to secure Hawai'i's vision for tourism, and we support programs that are in alignment with the State TSP. This includes HTA's investment in programs which support our unique people, place and culture and ensures that Hawai'i remains the special place it is to live, work and visit. As gaming was never part of the state's vision, the HTA would have to oppose H.B. 2788.

Mahalo for allowing us to share our position on this issue.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
RICHARD C. LIM
Director
Department of Business, Economic Development & Tourism

before the
HOUSE COMMITTEE ON TOURISM

Monday, February 13, 2012
9:15 a.m.

State Capitol, Conference Room 312

in consideration of
HB 2788
Relating to Gaming

Chair Brower, Vice Chair Tokioka and Members of the Committee on Tourism.

The Department of Business, Economic Development & Tourism (DBEDT) does not have any position on the issue of gaming in and of itself, however, we would like to comment on the current language of the bill.

This measure proposes to establish, within DBEDT, a Hawaii Gaming Control Commission that licenses, administers, regulates and enforces casino gaming operations in Hawaii. These are regulatory functions that DBEDT does not have the resources or expertise to undertake.

Thank you for the opportunity to offer comments.

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON TOURISM
ON
HOUSE BILL NO. 2788

February 13, 2012

RELATING TO GAMING

House Bill No. 2788 authorizes limited casino gaming operations in the Waikiki area and establishes the Hawaii Gaming Control Commission (Commission) within the Department of Business, Economic Development and Tourism to administer, regulate, and enforce casino gaming operations. The bill also establishes the State Gaming Fund; imposes a wagering tax of 15% on the monthly gross receipts received from casino gaming; and provides that the following amounts of the wagering tax be deposited into the State Gaming Fund: 1) 1% to fund a compulsive gamblers program and for public security at the casino facility; and 2) not more than 1% to fund the administrative expenses of the Commission. The fund will also receive other fees, taxes and fines collected from casino gaming.

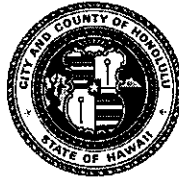
While the Department of Budget and Finance does not take any position on the policy of authorizing casino gaming in Waikiki, as a matter of general policy, the department does not support the creation of any special fund which does not meet the requirements of Section 37-52.3 of the Hawaii Revised Statutes. Special or revolving funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the

capacity to be financially self-sustaining. In regards to House Bill No. 2788, it is difficult to determine whether the fund will be self-sustaining because the costs of the compulsive gamblers program and public security and administrative expenses are unknown.

I encourage the Legislature to scrutinize the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, Hawaii Revised Statutes.

OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

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PETER B. CARLISLE
MAYOR

DOUGLAS S. CHIN
MANAGING DIRECTOR

CHRYSTN K. A. EADS
DEPUTY MANAGING DIRECTOR

February 13, 2012

The Honorable Tom Brower, Chair
House Committee on Tourism
Twenty-Sixth Legislature
Regular Session of 2012
State of Hawaii

RE: Testimony of Mayor Peter Carlisle on H.B. 2788, Relating to Gaming.

Chair Brower and members of the House Committee on Tourism, Mayor Peter Carlisle submits the following testimony in opposition to H.B. 2788.

The purpose of this bill is to establish a Hawaii gaming control commission which is authorized to issue a twenty-year casino license to a casino facility in Waikiki. The casino may only be located mauka of Kalakaua Avenue and is prohibited from being located in a hotel.

I understand the allure of gambling as a quick and attractive fix to our economic problems. However, I oppose the introduction of casino gambling because I believe any economic benefits provided by gambling are far outweighed by increased crime rates and social costs to families whose incomes may be substantially affected by chronic gambling.

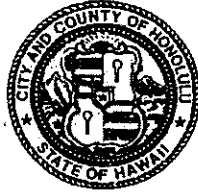
It has been shown that gambling acts as a regressive tax which falls most heavily on those who can least afford it. In addition, it has been estimated that the rate of problem or pathological gamblers in Hawaii's population will range from 1.4% to over 6% of the residents. These gamblers will first borrow from friends or family and when that is no longer possible, they often turn to stealing from friends, family and employers. Even without legalized gambling opportunities in the state, we have seen cases involving a county treasurer and a county relocation officer who stole county funds in order to pay off large gambling debts. I believe that instances like this may become more frequent and severe if legalized casino gambling is permitted and more accessible in Hawaii.

I would like to point out to that even without gambling, Hawaii already attracts visitors with our beautiful scenery, wonderful climate and unique culture. And as most tourists visit here with a finite budget, I fear that the money they currently spend in our local shops and restaurants will be spent on gaming instead.

Thank you for this opportunity to testify before you.

POLICE DEPARTMENT
CITY AND COUNTY OF HONOLULU

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PETER B. CARLISLE
MAYOR

LOUIS M. KEALOHA
CHIEF

DAVE M. KAJIHIRO
MARIE A. McCAULEY
DEPUTY CHIEFS

OUR REFERENCE **JM-TA**

February 13, 2012

The Honorable Tom Brower, Chair
and Members
Committee on Tourism
House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Brower and Members:

SUBJECT: House Bill No. 2788, Relating to Gaming

I am John McEntire, Major of the Narcotics/Vice Division of the Honolulu Police Department, City and County of Honolulu.

The Honolulu Police Department opposes House Bill No. 2788, Relating to Gaming.

In keeping with our commitment to sustain and enrich communities, we are strongly opposed to all forms of gambling. We are convinced that gambling undermines community values and will have a negative effect on our economy and unique island lifestyle.

A study conducted by Professors Earl Grinols and David Mustard showed that having casinos increased the crime rate after a lag of three to four years. This study further indicated that 8 percent of property crime and 10 percent of violent crime in counties with casinos were due to the presence of a casino.

Furthermore, the socioeconomic costs would include unemployment, physical and mental health problems, theft, embezzlement, bankruptcy, suicide, child abuse and neglect, domestic abuse, divorce, incarceration, work absences, and homelessness.

By holding steadfast against legalized gambling, the Honolulu Police Department keeps its pledge to work in partnership to enhance and strengthen our communities by enforcing of state and county statutes and newly enacted laws.

Serving and Protecting With Aloha

The Honorable Tom Brower, Chair
and Members
Page 2
February 13, 2012

The Honolulu Police Department urges you to oppose House Bill No. 2788,
Relating to Gaming.

Thank you for the opportunity to testify.

Sincerely,


JOHN McENTIRE, Major
Narcotics/Vice Division

APPROVED:



LOUIS M. KEALOHA
Chief of Police

OFFICE OF INFORMATION PRACTICES

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To: House Committee on Tourism
From: Cheryl Kakazu Park, Director
Date: February 13, 2012, 9:15 a.m.
State Capitol, Room 312
Re: Testimony on H.B. No. 2788
Relating to Gaming

Thank you for the opportunity to testify on House Bill No. 2788. Among other things, the purpose of this bill is to grant a license to one casino and to establish the Hawaii Gaming Control Commission. The Office of Information Practices (OIP) takes no position on the purpose and substance of the bill's provisions but recommends an amendment to the bill's provision regarding the Commission's special meetings.

On page 12, this bill proposes a new HRS subsection -3(f) setting forth the meetings requirements for the Commission being established, which will be subject to HRS chapter 92. As Part I of HRS chapter 92 is the state's open meetings law, the new Commission would be subject to the Sunshine Law's requirements for six days' advance notice of any meeting, unless there is an unanticipated event necessitating an emergency meeting with less advance notice. HRS Sec. 92-7 and 92-8.

This bill, however, proposes to allow the Commission to hold "special meetings" which "may be called by the chairperson or any three members upon seventy-two hours written notice to each member." (Page 12 at lines 19-20.) This

provision is inconsistent with the Sunshine Law, which already allows for emergency meetings to be held with even less than 72 hours' notice and contains procedural safeguards. HRS section 92-8 currently allows a board to hold an "emergency meeting" "[i]f an unanticipated event requires a board to take action on a matter [of board business], within less time than is provided for in section 92-7 to notice and convene a meeting of the board." A board may hold an "emergency meeting" not subject to the usual six-day notice requirement so long as the board must address an "unanticipated event," as defined by HRS section 92-8, and the board complies with this statute's procedural requirements such as obtaining the attorney general's concurrence and the vote of two-thirds of the members to which the board is entitled and providing notice as soon as practicable to persons requesting notification on a regular basis.

Consequently, to be consistent with the Sunshine Law and its procedural safeguards, OIP recommends that the bill be amended to eliminate the special meetings sentence on page 12 at lines 19-20. Thank you for considering our testimony.

HB 2788

**Community &
Business Groups**

Radcliffe & Associates, LLC

222 South Vineyard Street, Suite 401, Honolulu, HI 96813-2453 Phone (808) 524-4459 Fax (808) 599-4340

February 13, 2012

Representative Tom Brower, Chair
Representative James Tokioka, Vice Chair
Committee on Tourism
Hawaii State Capitol, Room 312

RE: HB2788 Relating to Gaming

Chair Brower, Vice Chair Tokioka and Members of the Committee on Tourism:

Hawaii is the only State in the USA, other than Utah, which, by the way, is surrounded by five other states—all of which have a total of about 280 casinos—which prohibits gambling as entertainment. It is also the only state in the USA where over 80% of the citizens leave the state every year to vacation elsewhere. Sixty-nine per cent of us vacation in Las Vegas, Nevada. Many of us go multiple times each year. And we spend a billion dollars a year there. We love Nevada so much that we give the citizens of that state a billion dollars a year. And make no mistake—we travel some 6,000 miles round trip to go into a desert—to gamble. We are throwing our good money into the desert.

The Waikiki Improvement Association did a recent poll that indicated that 69% of us go to Las Vegas. It further indicated that if we had a casino here in Hawaii that 76% of us would go to it. 50% of us who now go to Las Vegas would take fewer trips into that desert—and 42% of us would just stay home and gamble here. The pollsters determined that were that to happen—it would pump \$400 million a year into our economy rather than theirs. Our economy would be \$400 million richer every year—just from that. That does not count tourists. We are only a population of 1.3 million, but we get almost eight million tourists a year. And 79% of our Japanese, Korean, and Chinese visitors say that if we had a casino—they would go to it. We are a state made up of 1.3 million tourists who travel extensively to other states to vacation, mostly in Nevada—mostly to gamble. And we have a tourist destination here that prohibits legal gambling. One of the few such in the world—Hawaii is virtually the only major tourist destination in the world that prohibits gambling. And that small number is dwindling. Recently, Singapore reversed its decades long prohibition of casinos—and its annual Gross Domestic Product went up 18% as a result.

This prohibition of that which is legal nearly everywhere else, costs us \$1 billion each year in outgoing dollars and returns—none. The United States has a total population of 311 million. The 307 million in 48 states already enjoy legalized gambling in their states—and all of their states profit. Hawaii does not. We export gamblers at no benefit to our state, and we export their one billion in after tax dollars, too.

Representative Tom Brower, Chair
Representative James Tokioka, Vice Chair
Committee on Tourism
February 13, 2012
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Twelve years ago, we provided the economic data on what two casinos would do to help our economy and two years ago we provided you with a Market and Economic Impact Analysis of what a single casino would do for this Island—and by extension the state. We are appending that latter study to this testimony—again. This time, Michigan State University Professor of Economics, Dr. Jake Miklojcik is here—in this room right now, to answer questions about it. We very strongly urge that you take this opportunity to vigorously question him, his data, his assumptions, his information. If you do, you will find that Hawaii has been missing the economic boat.

Thank you for the opportunity to submit testimony.

Respectfully Submitted,

John H. Radcliffe
President, Radcliffe & Associates, LLC

FEBRUARY, 2010

**MARKET AND ECONOMIC IMPACT ANALYSIS:
A SINGLE CASINO ON THE ISLAND OF OAHU**

PREPARED BY:

**MICHIGAN CONSULTANTS
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Lansing, Michigan 48933
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Jacob Miklojcik, President**

SINGLE CASINO—ISLAND OF OAHU—2010 SUMMARY ANALYSIS

SITUATION

Legislation is being considered in the Hawaiian legislature that would allow one casino to be built on the Island of Oahu. The purpose of this document is to summarize the findings of an analysis of the revenues the facility will likely realize as well as on-site and off-site patron spending, jobs, and other economic impacts that the facility will likely create. Prudent estimates and assumptions are used throughout. The summary figures represent hundreds of individual calculations based upon state data, and gaming markets and impacts elsewhere in North America and Asia.

The author, Jacob Miklojczik, has analyzed casino markets and operations at over 60 sites involving the gaming markets of over one-half of the states, plus Canada and the Caribbean. He also possesses unique insight as a member of the management board of Greektown Casino in Detroit. This urban facility possesses many of the same sizing and market characteristics as the proposed Oahu facility. During his one year tenure on the Greektown Board, revenues and markets have increased substantially and market value increased over 50%.

Mr. Miklojczik authored a study of gaming in Hawaii a decade ago---the key points regarding emerging competition and the difficulties in attracting Japanese tourists have emerged as accurate.

For all figures developed and factors use, additional detail and citations can be provided. The methodology utilizes has numerous facets, but follows similar steps that have been proven to be thorough an accurate in many other gaming and non-gaming market and impact studies:

1. Review the core market factors (including special circumstances of Hawaii):
 - 1.1. In-state demographics.
 - 1.2. Existing tourisms and trends, with particular emphasis on Japanese visitor statistics and surveys.
 - 1.3. Hawaiians traveling to Las Vegas and other venues for gaming related vacations.

2. Review gaming competition; existing and developing.
3. Develop patron and gaming revenues projections for an assumed site.
4. Compare projections to total market; refine.
5. Develop on-site non-gaming revenue estimates (no hotel).
6. Develop estimates of added off-site spending created/captured.
7. Differentiate new and retained spending from any shifted spending.
8. Review labor situation in Hawaii and typical staffing levels at casinos in other venues.
9. Develop from preceding calculations estimates for employment and wages.
10. Develop initial state revenue estimates.

As noted, the methodology and the results involve a variety of complexities. Yet it is very clear that a substantial market exists, one that will capture within the state dollars now flowing out of Hawaii or now bypassing the state. Benefits will most directly be derived in Oahu, but will stream throughout the state.

NOTES ON ECONOMIC TRENDS, GAMING COMPETITION, AND IMPACT CONSIDERATIONS

It is not necessary in this document to review the myriad of economic data that are troublesome to citizens and to the financial foundation of state government. Yet, several key bullet points are worthy of identification to provide context to the study. In addition, a series of additional aspects are identified because of their particular importance in appreciating the economic impacts.

Economy

- Rising unemployment creates a the double edge sword that state governments throughout the nation are facing---declining revenues occur at the same time that citizens needs are increasing.
- For Hawaii, the threats reach beyond the present recession, and may last far longer than in many other states due to competitive challenges to the main industry---tourism.
- A crucial element in the recreation and leisure sector of the economy, and for worldwide tourists, is gaming. Not only is gaming an enormous business factor in Nevada, but new resorts have emerged or are emerging in Asia and Mexico that aspire to attract tourists who once favored Hawaii.

- Fitch Ratings recently assigned a lower bond rating to State of Hawaii General Obligations bonds; beyond the extra borrowing costs this likely creates, the Fitch analysis included a very troublesome summation of the economic trends and challenges facing the state.
- Downward trends in tourism days continued in 2009.

Competition for tourists, particularly international

- A significant decline in international visitor days has been experienced (17.8% decline on Oahu; 17.6% decline statewide from 2000 to 2008).
- Air arrivals from Japan on Oahu declined over 34% from 2000 to 2008.
- Japanese visitor spending, even without adjusting for inflation; declined by 6.9% from 2001 to 2008 (inflation adjustments would put the actual decline at over 30%).
- Hawaii will forever be a location of incomparable natural beauty and wonderful waters. Yet, the reality is that other “sun and sand” options have emerged for world tourists and most have gaming options.
- There is a trend for tourists to prefer shorter, more entertainment intense vacations rather than the lengthy rest and relaxation vacations Hawaii has been renowned for.
- Examples of gaming expansion in competitive areas
 - California now has 58 casinos, by some reports more gaming dollars than the Las Vegas strip.
 - Mexico is formally legalizing casinos (in addition to the gray area facilities have operated for years).
 - Macao is enormous (although focuses on Chinese visitors).
 - Singapore recently opened a massive casino; another on the way.
 - Even expansions in distant states such as Ohio, Pennsylvania and Maryland may lure some disposable income that in previous decades would have flowed to Hawaii.
- This gaming expansion in new venues also means that Las Vegas will market even harder to Hawaiians and to the Japanese in order to recoup declines from other markets.

Leakage

- Hawaiians continue to visit Nevada thousands of times each year with hundreds of millions of dollars leaving the state economy; a casino on Oahu will not stop all the visits but will help retain a portion of this spending on the Island, meaning jobs and tax revenues.
- Residents *already* have many in-state wagering options—including Internet betting, private bets, and illegal gaming parlors and bookies.

Opportunity

- An Oahu casino will attract new tourist spending through higher visitor expenditures and longer stays, new visitors attracted by the gaming option, and capture dollars leaving the state.
- A robust majority of the spending is either “new” to Hawaii or “retained” dollars that would otherwise have left the state---thereby the jobs and other economic impacts are additive to the economy.
- Increased employment and wages has been shown to create many social benefits.
- Without the casino, not only will the opportunity be lost to gain benefits, but also the downward trends in winning a fair share of international tourism may continue---there is a cost in doing nothing.

KEY FINDINGS AND TABLES

Market capture

Prudent factors were utilized to derive a gaming revenue base for the Oahu facility. It is important to note that the casino does not intend to nor could it capture all gaming dollars. The factors used incorporate the reality that existing and new tourists will also select other gaming options in other states and countries, that a significant number of trips will continue to be taken by local residents to Las Vegas and other venues for the primary purpose of casino visitation, and that a certain level of illegal gaming will continue within the state. Even with those considerations, the figures do not represent only a modest estimate for the potential of the facility.

Each cell in the table below and in the following tables is the product of numerous calculations and other tables. A variety of additional tables and charts can be provided that further delineate the many calculations.

TABLE A GAMING REVENUE AND PATRON VISIT PROJECTIONS (First full year of full operation)		
Primary Market Category	Patrons visits	Gaming Revenues
"Existing visitor" base	2,108,210	\$178,810,718
Residents (census definition)	2,832,895	\$162,262,421
Occupants of recreational/ occasional housing units	304,488	\$24,359,020
New visitors added by casino availability	623,250	\$103,854,627
	5,868,843	\$469,286,787

Points and notes:

- "Existing visitor base" represents the present level of tourist days plus in some instances extended stays.
- Tourists are divided by domestic and international, by Oahu visitors including multiple island visitors, and a small number who do not visit Oahu now but will extend their visits to Oahu due to the casino.
- Resident visitation and spending is derived using casino utilization factors from numerous other venues adjusted for the income and unique travel time characteristics of Hawaii.
- The vast majority of the spending will be either "new" to Hawaii or "captured" from dollars now flowing out to gaming destination elsewhere.
- There is simply no reason to believe that one casino will adversely impact the enjoyment tourists will find at the more traditional Hawaiian attractions; one casino will use only a tiny portion of Oahu's land area.

TOTAL ON-SITE ADJUSTED GROSS REVENUES

Numerous factors were utilized for the various sub-categories of patrons to derive a non-gaming revenue figure. Non-gaming is first calculated for full retail value in order to later produce job and wage projections needed to provide the goods and services. It is then necessary to adjust for goods and services provided via casino patron complimentarys and prizes, as well as any "free play" provided in promotions.

TABLE B	
TOTAL ON-SITE REVENUES	
(Adjusted for player complimentarys/promotions)	
Revenue Category	Total
Gaming	\$469,286,787
Non-gaming (retail value)	\$81,600,089
Adjustment for complimentarys/promotions to avoid double-counting	(\$28,157,207)
	\$522,729,668

Points and notes:

- Substantial figures, although various facilities in North America and now Asia realize larger revenues.
- Figures provide direction for facility sizing.
- Majority of non-gaming spending is from tourists.
- No hotel is planned for the facility.

OFF-SITE SPENDING

This is a fundamental category for Hawaii; significant economic benefits and public revenues will stem from the off-site spending of casino patrons. For simplicity, no dollars are included for off-site expenditures during trips to the casino by State residents. Yet, by deferring some gaming trips to Las Vegas and other gaming venue this allows the possibility of non-gaming expenditures to occur in Hawaii.

Regardless, the key off-site spending considerations involve tourists, particularly international tourists. Each patron category of tourist was analyzed for likely off-site spending brought about by the casino. A major spike will occur when tourists extend their stays by a day or more due to the presence of a casino, and even more dramatically when tourists are attracted to Hawaii who otherwise would go elsewhere if Oahu did not offer a gaming options.

TABLE C	
OFF-SITE SPENDING ON GOODS AND SERVICES	
By Casino Patron Category	Total
From existing domestic USA tourist base	\$25,428,959
From existing international tourist base	\$98,620,401
From new visits due to casino availability	\$186,975,045
	\$311,024,405

Points and notes:

- Includes extended stays from existing tourist base.
- Has the potential to be much greater as marketing extends and "new" visitors return again in future.
- No extra large retail expenditures (such as boats) are included in the estimates.
- As noted, no non-gaming spending by residents is included, although by capturing some gaming trips that otherwise would leave the state may mean additional non-gaming local spending.
- A year 2000 study discussed the possibility of a casino attracting more conventions; this is not specifically included in the analysis here although could emerge as a dynamic economic benefit.
- There will also be extensive contracts between the casino with local vendors and service providers; this equates to an additional \$71.6 million in local spending; the figure is utilized in estimating an important component of off-site job, wage, and public revenue impacts.

INITIAL ESTIMATE OF JOBS AND WAGES

Various factors from other gaming and non-gaming venues are utilized to develop an initial estimate of jobs and wages, based upon the revenues projected above and trends in state employment. The figures are based upon a wide variety of public data and experience and are viewed as noncontroversial given the revenues involved.

The individuals employed in the on-site jobs and the indirect off-site jobs make expenditures and pay taxes within the state thereby creating additional jobs, which in turn captures additional spending. These sequential rounds of spending are often referred to as the ripple effect of economic impacts. A very conservative factor of 0.5 is used here, representing one net ripple effect job created for each two direct and/or indirect jobs created. A much higher factor could have been chosen, thereby further expanding the job estimate.

TABLE D		
JOBS AND WAGES IMPACTS--DIRECT, INDIRECT, AND RIPPLE EFFECT		
By Employment Location Category	Jobs	Wages & benefits
On site	3,660	\$152,899,014
Off site first level local vendors/contractors	573	\$23,489,816
Off site from added visitor spending from existing tourist base	3,274	\$121,135,821
Off-site from new visits due to casino gaming	1,870	\$71,050,517
Subtotal	9,377	\$368,575,168
Ripple effect jobs/wages	4,688	\$164,093,600
Gross Job & Wage/Benefits Impacts	14,065	\$532,668,768

Points and notes:

- Jobs are "Full Time Equated" positions (or FTEs); one person full-year at 40 hours per week (use of over time and part-time workers will impact the actual number of individuals employed during the year).
- Totals do not include any additional job creation from resident spending that is retained rather than flowing to other gaming venues.
- Factors used are prudent, higher levels are certainly possible.
- Wages levels are simply placeholders from industry standards and local income data and are not representative of any negotiations.
- The vast majority of the jobs will not require a college degree and will involve relatively limited special training.

INITIAL CONSIDERATIONS FOR PUBLIC REVENUES GAINED

The legislation was reviewed for the direct gaming tax rates being considered plus state income, sales, and excise tax rates were considered to develop initial estimates of additional tax revenues. The figures are conservative, and do not include state cost savings from reduced income maintenance and Medicaid pressures. Further analysis is needed to increase specificity, but the figures are viewed as representative of the base public revenue impacts.

Category	Full year amount
From casino gaming fee	\$31.7 million
Income taxes from employee wages (direct, indirect, and ripple jobs)	\$29.5 million
Sales taxes from patron on-site and off-site spending	\$18.7 million
Sales taxes from added local income	\$6.4 million
Base total	\$86.2 million

Points and notes:

- Increases in gaming revenues and non-gaming spending increase the public revenues proportionately.
- Consistent with the methodology, the vast majority of the public revenues are derived from new or retained spending.
- There are other public revenues premature to enumerate, for example investment by businesses serving the casino and home enhancements by employees will translate into higher property tax revenues.

SIZING AND CONSTRUCTION NOTES

Refined sizing and design cannot occur until there is further specificity regarding the site and the ultimate legislative language. Below various initial points are provided for elaboration purposes, based upon the revenue figures above:

- Investment---\$300 million plus.
- Electronic games of chance (slots) ---3,343.
- Table games---101 (including poker).
- Casino construction jobs (person years of employment) ---1,667.
- There will be many other positive non-recurring impacts from the planning and construction; many beginning almost immediately upon enactment.

CONCLUDING COMMENTS

As noted, the estimates are viewed as prudent, more likely to be exceeded than unmet. This has proven the case in other venues. Readers may disagree with a certain factor or individual estimate, but there is little question that the revenues projected for the facility and the jobs fall within an evenhanded range by any standard given the market size and data from other gaming and tourism venues.

The facility is certainly not a panacea for all economic challenges facing Hawaii, and, indeed, for many will not even be noticed. The reality is that tourism is dependent on meeting the desires of the tourists---as perceived and determined by the tourists---not from wishful thinking. Millions of tourists enjoy having a casino option, which is why competing venues have added gaming. It is the reason why Hawaii should consider the reality and the option.

Dear Chair Brower and Members of the House Tourism Committee:

My name is Elizabeth Watanabe. I am President of Citizens For a Better Way, a public interest group with well over a thousand members. **I am testifying for the organization and in support of HB 2788.**

We are a group of business owners, retired teachers, and members of our community at large, that have a common interest.

We want to see a better, more productive, Hawaii.

We share the hope of a better tomorrow for our children, for our businesses and for our great state.

As a mother of three young children, it is my duty and responsibility to educate them & form them into productive individuals. And my greatest fear is our educational system is failing my hopes to educate my children. If our state had other forms of revenue, we could cease to cut educational programs & create funding to enhance our educational system, which is ranked embarrassingly low.

Please know that I am a Christian and member of Mothers In Touch, a prayer group of mothers to pray for our educators and schools. And also please let me underscore this: I do not support gambling for its own sake, but I do support it for the creation of some 12,000 new jobs. I support the creation of a new entertainment venue for our local entertainers and I support giving our state the added revenue that it will bring to us.

We, the 1000+ members of Citizens for a Better Way, want to see a better tomorrow, a better future for our children, and a better day for our local economy. We have no intention of allowing Hawaii to become another Las Vegas... No one wants that.

We just want to see a better way than cutting funding and programs & reaching into peoples hard earned savings.

I urge you to pass HB 2788. Of all the options to stimulate our economy, THIS IS the better way.

Again, I thank you for your time, your patience & consideration to this matter.

Sincerely,

Elizabeth Watanabe

League of Women Voters of Hawaii
49 S. Hotel Street, Suite 314
Honolulu, HI 96813

To: Chair Tom Brower and committee of Tourism Committee
From: Grace Furukawa,
Re: HB 2788 Related to Gaming
When: Monday, February 13, 2012 at 9:15 am
Where: Room 312

My name is Grace Furukawa, from the League of Women Voters of Hawaii and I am testifying AGAINST this bill. The League has opposed all forms of gambling since its own study on this subject was completed in 1998. A casino in Waikiki or elsewhere is opening Hawaii to the scourge of gambling throughout the state. Setting up a commission to oversee the gambling will not necessarily save us from crime and corruption that will come in its wake, as our Mayor and Police Department will testify. The examples from other states have shown this to be true.

This casino, free standing, will have bars and restaurants along with card games and slot machines and other forms of gambling. This alone will take the discretionary money of tourists and citizens from those businesses outside and send most of the profits to the mainland owners. Slot machines alone are the "crack cocaine" of gambling and promises to cause the loss of one job from small business a year. The tourist money we count on for taxes etc. will be lost from any business in the community. Casinos are built with an easy entry but difficult to get out of. They want to keep people in them as long as possible. In Waikiki alone there will be congestion and parking problems. The ambiance of Hawaii as a place of beauty, sports and a place for families will be lost.

In opposing this bill I appeal to all legislators to not bring into Hawaii something that is so difficult to get rid of and which will change the affect of Hawaii forever. Legislators should heed the advice of the National Gambling Impact Study Commission and the DBEDT Economic Impact Study, both of which advise against the expansion of gambling. Mahalo for hearing this testimony.

SAY "NO" TO CASINO

The Hawaii Coalition Against Legalized Gambling opposes the establishment of a casino for the following reasons:

- The gaming industry provides statistics on revenue and job creation which ought to be viewed skeptically since the industry has so much to gain.
- Legislators focus on revenue, not on costs. Many costs are not easily measured, but increasingly, studies from academics and other non-vested sources are available. They are seldom sought.
- Because there is no legal gambling in Hawaii, people do not see its destructive social effects and tend to dismiss them.
- Many dollars of revenue would flow out-of-state to owners, managers, consultants, service and equipment providers.
- Casinos damage and displace existing businesses.
- A casino will attract workers from gambling venues in other states. These workers are most often unskilled workers with low income. Hawaii does not need more people in that demographic.
- Construction dollar inflow is short-term; costs to the state continue over the long term.
- Establishing 100% secure and effective regulation and oversight is expensive and extremely difficult. Poor regulation is costly and may tarnish Hawaii's reputation.
- A casino will not keep Hawaii at home. Attracted by its glitter and excitement, Hawaii residents will continue traveling to Las Vegas and gambling there. Hawaii cannot duplicate the unique aura of Las Vegas.
- A casino will not attract substantial numbers of new visitors, nor will existing visitors increase their travel budgets significantly to include casino play.
- The "amenity" of offering visitors and residents another form of entertainment does not offset the dangers of changing Hawaii's image and fostering risk for addictive behavior.
- Government decisions should not be driven only by fiscal concerns. Long-considered decisions with major social impacts should not be made in a period of economic hardship.
- Government should not condone and encourage activities harmful to its people. Citizens expect their government to protect their well-being, both psychological and financial.
- Hawaii is a special situation, unique as to location, culture and appeal. The legislature has long resisted the lure of increased revenue at the expense of growing social problems. By opening the state to even one casino operation, the legislature opens the state to multiple gaming operations. Experience has shown that on the Mainland, expansion becomes the order of the day once one type of gambling is legal.
- Legislators should heed the advice of the National Gambling Impact Study Commission and the DBEDT Economic Impacts Study, both of which advise against the expansion of gambling.

Hawai'i Coalition Against Legalized Gambling

1124 Fort Street Mall, Suite 209

Honolulu, HI 96813

Phone/fax 524-7766 E-mail hcalg@hcalg.org Website www.hcalg.org

February 2012

Hawai'i Coalition Against Legalized Gambling

1124 Fort Street Mall, Suite 209
Honolulu, HI 96813

Phone/Fax (808) 524-7766
E-mail hcalg@hcalg.org
Website hcalg.org

Member Organizations

Advocates for Consumer Rights
Animal Rights Hawaii
Buddhist Peace Fellowship
Christian Voice of Hawaii
Church of Jesus Christ of Latter-day Saints
Church of Perfect Liberty
Common Cause Hawaii
Disciples of Christ
Hale Kipa
Hawaii Assemblies of God
Hawaii Association of International Buddhists
Hawaii Christian Coalition
Hawaii Conference of Seventh-day Adventists
Hawaii Conference of the United Church of Christ (UCC)
Hawaii District United Methodist Church
Hawaii Family Forum
Hawaii Pacific Baptist Convention
Hawaii Rainbow Coalition
Hawaii Religions for Peace
Hawaii Youth Services Network
Honolulu Friends Meeting (Quakers)
Honolulu Police Department
Institute for Religion and Social Change
The Interfaith Alliance Hawaii
Kokua Council
League of Women Voters of Hawaii
Life of the Land (Hawaii)
Dr. Martin Luther King, Jr. Coalition Hawaii
Mestizo Association
Muslim Association & Islamic Center of Hawaii
Pacific Gateway Center
Presbytery of the Pacific
Saints Constantine & Helen Greek Orthodox Church
Smart Business Hawaii
Soto Zen Mission of Hawaii
Temple Emanu-El
Windward Coalition of Churches
The Woman's Board of Missions for the Pacific Islands (UCC)

Cooperating Organizations

Chamber of Commerce of Hawaii
Catholic Diocese of Honolulu
Hawaii Bankers Association
Hawaii Business Roundtable
Hawaiian Humane Society
Hawaii State PTSA

My name is Tom Kay and I am speaking as attorney for the Hawaii Coalition Against Legalized Gambling (HCALG) and as a kama'aina with great aloha for the 'aina and people of Hawaii.

HCALG is opposed to HB2788 which authorizes a stand-alone casino in Waikiki.

While the bill requires at least 1,500 slot machines, large casinos have over 7,000. If the Waikiki casino has just 3,000, the gross receipts from playing them would be \$30,000,000 per year based on each electronic gaming device (EGD) averaging \$100,000. The state of Hawaii would receive \$4,500,000 as its 15 per cent of the gross receipts and the balance, \$25,500,000 per year, would leave the state and go to the mainland or international gambling industry.

According to Professor John W. Kindt, the adverse effect of each slot machine translates, in our economy, to a loss of one job each year, in effect being a loss to the economy of 3,000 jobs per year for a casino with 3,000 EGDs. The Hawaii state Government, while receiving \$4,500,000 would incur socio-economic costs approximately three times greater, or \$13,500,000 based on the formula established by Dr. Kindt and Professor Earl Grinols, recognized authorities on legalized gambling. These socio-economic costs would arise from new addicted gamblers, loss of jobs, substantial rises in crime, broken families, divorce, child abuse, suicide, and bankruptcy.

The negative effect of a casino in Waikiki would be a shrinking economy, increased crime, social costs the state could not afford to pay, and fewer tourist dollars to spend for local businesses and attractions that showcase Hawaii.

We respectfully request that the Committee on Tourism stop further action on this bill.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 9:03 PM
To: TOUtestimony
Cc: captcoon@gmail.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: Yes
Submitted by: James E. Coon
Organization: Ocean Tourism Coalition
E-mail: captcoon@gmail.com
Submitted on: 2/12/2012

Comments:

The Ocean Tourism Coalition representing the 300 charter boats operating out of State Boat Harbors categorically opposes all gambling proposals. We believe that Gambling will bring many more problems than it will solve. We have one of the most beautiful environments in world (We are not Nevada) This bill will hurt the Ocean Tourism Industry.

Please kill this bill.

Sincerely,

James E. Coon, President; OTC

House Committee on Tourism
Rep. Tom Brower, Chair
Rep. James Kunane Tokioka, Vice Chair

Testimony on HB 2788

Monday, February 13, 2012, 9:15 a.m.
State Capitol, Conference Room 312

Welina Kakou,

We are Aupuni O Hawaii an advocate for the betterment of the (n) ative Hawaiians. We've placed our objections in most measurement through this legislative body for promoting gaming within the Hawaiian Home Lands. As stated our object to this measure is in principle cause of the statistical rate on crime in "Hard gambling" after a casino opens its door of city. LAS VEGAS and ALANTIC CITY gets the top bill for this award in the highest crime related offenses contributed to gambling. US News & World Report analysis found crime rates in casino communities to be 84 percent higher than the national average and the list goes on and on. Tourism is not immune to this statistic, the crimes against hard core gamblers (vacationers) is the victim for assaults. Any type of gambling is a misnomer for financial success.

First of all, the ideology of "Hard gambling" for commerce is dangerous, irresponsible, and malicious to think this iniquitous venture would be the savior for the state's woes. This dangerous venture will only bring unsavory activities, social disparity for the communities, and the encumbrance on an already stretched social and public safety agency that will come with gaming. Like the many progenies of gaming measurements that went before this body of legislation, we find a similarity conjunction to past measure HB 1225 with the exception of an instrumental factor, for us the (n) ative Hawaiians got BINGO and the state gets VEGAS STYLE CASINO???? What's wrong with this picture!!!! To know that our organization and many others vehemently objected to the bingo venture on Hawaiian Home Lands and then the state comes up with this over the top solution for commerce in the islands, Wow! Bingo on Hawaiian Homes and Vegas Casino on public land.

To reiterate our objection to this measure and future ones, gaming is a disservice to all communities in the islands, especially to the rank and file who will receive pittance on the dollar for service render as an employee for gaming in Hawaii, while the commission with the government, investors, and the cast of unusual suspect will make sure the money machine keeps running and sucking the local economy dry by a soon to be accelerated out of reach sky rocketing real estate that will exacerbates the locals, its no wonder DHHL proposed the off-the-grid program and the Kauhale project cause we now see the next generation won't have enough money to buy or build in an improbable future dream home. We'll just have to teach our kekeis on accepting the sub-par conditions of hale on Hawaiian Home Lands and to subsist within your means of survival from pay check to check from your career as a black jack card dealer or become a statistical member of measure HB 2848 in Restorative Justice from crimes.

Me ka Ha'aha'a
Samson and Bill Brown
Aupuni O Hawaii, Board Member

HB 2788

Religious



HAWAII CATHOLIC CONFERENCE
6301 Pali Highway
Kaneohe, HI 96744-5224

Email to: TOUTestimony@Capitol.hawaii.gov
Hearing on: Monday, February 13, 2012 @ 9:15 a.m.
Conference Room #312

DATE: February 10, 2012

TO: House Committee on Tourism
Representative Tom Brower, Chair
Representative James Tokioka, Vice Chair

FROM: Walter Yoshimitsu, Executive Director

RE: Opposition to HB 2788 RELATING TO GAMING

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 measure that would grants twenty-year license for one stand-alone casino in Waikiki not in a hotel.

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.

In sharing the Catholic theological perspective on gambling, we are also aware of and very concerned about other important and related aspects of the issue that would serve to make specific pieces of gambling legislation morally unacceptable. We believe that the promotion of the common good of society and the protection of individual rights is always to 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 legislation that would bring casino gambling to Hawaii.

Mahalo for the opportunity to testify.



Email to: TOUTestimony@Capitol.hawaii.gov
Hearing on: Monday, February 13, 2012 @ 9:15 a.m.
Conference Room #329

DATE: February 10, 2012

TO: **House Committee on Tourism**
Representative Tom Brower, Chair
Representative James Kunane Tokioka, Vice Chair

FROM: Allen Cardines, Jr., Executive Director

RE: Strong Opposition to: HB 2788 Relating to Gaming

Mahalo for the opportunity to testify. 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 strongly oppose this bill that grants twenty-year license for one stand-alone casino in Waikiki not in a hotel

We should be proud that 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. This may sound like a good idea for Hawaii but greater scrutiny reveals a far different story. While it may be true that legalized gambling could potentially yield 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 examine the data about what it is like to live in a place like Vegas.

This data should serve 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 our 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.

In response to this data, the Coalition's response seems appropriate: "Not in my Backyard." Shouldn't that be our collective community response?

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.

CHRISTIAN VOICE of HAWAII

Standing for Righteousness in the Public Square
Post Office Box 23055 • Honolulu, Hawai'i • 96823

HOUSE TOURISM COMMITTEE

PUBLIC HEARING:

FEBRUARY 13, 2012, 9:15 AM,
CONFERENCE ROOM 312

TESTIMONY OPPOSING HB 2788 – RELATING TO CASINO GAMING

CHAIR TOM BROWER. VICE-CHAIR JAMES TOKIOKA and MEMBERS of the HOUSE TOURISM COMMITTEE:

Aloha. I offer this testimony today on behalf of Christian Voice of Hawaii, a network of more than 800 ministers from many denominations throughout Hawaii. The network involves pastors and leaders of numerous faith-based ministries that are active in providing charitable services in communities throughout the islands.

The members of the Christian Voice of Hawaii network stand in **OPPOSITION** to HB 2788 – **licensing a casino in Waikiki**.

In the twenty-five years that Christian Voice has been active in Hawaii, we have consistently testified that legalizing gambling in any form would be extremely detrimental to the people of Hawaii and the State of Hawaii. Whatever revenues might be derived from gambling would be overshadowed by other costs to remediate the deleterious side effects of gambling — human suffering. The net cost would be a tremendous financial and social burden for the community.

Christian Voice maintains that it would be grossly irresponsible for this legislature to adopt gambling as a means to generate revenue and not take into account the broader picture of the human misery it will cause. The end does not justify the means.

Gambling is an addictive behavior. In order to maintain their addictions, people take desperate risks that lead to the breakdown and impoverishment of families; an increase in crime and violence; and a tearing at the moral fabric of society.

The lack of provisions in this bill for remedial programs (except for one vague condescending mention of a program for addicts) reveals the bill's sheer dishonesty and its intention to cover up the dreadful side effects of gambling.

Worse yet, the state would be put in the awkward position of promoting gambling for the sake of making more revenue; much like a drug dealer or pimp would push their wares. This is far different than promoting the wholesomeness of sunshine, sandy beaches, beauty and the spirit of aloha.

Ua mau ke Eā i ka 'Āina i ka Pono.
The Sovereignty of the Land is perpetuated in Righteousness.

Everyone knows that the purpose of this one casino in Waikiki is not just to test the waters. It is intended as 'phase one'...the first increment...the proverbial foot in the door ...for a full-blown gaming industry. It is a moneymaking scheme; a fast-buck scam masquerading as a revenue stream. We urge you legislators not to fall for this. Do not degrade Hawaii's wonderful, wholesome image by engaging in a rip-off enterprise involving in luring suckers to Hawaii to milk them dry for their money. Is this how you want to support the Aloha State?

Again, because of the detrimental and dangerous effects it would have on Hawaii's families, our community, our economy and our society, the members of Christian Voice of Hawaii strongly urge you not to pas **HB 2788** or any other measure that seeks to legalize any form of gambling in Hawaii.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Leon Siu". The signature is written in a cursive, flowing style.

Leon Siu
Director,
Christian Voice of Hawaii

Ua mau ke Eā i ka 'Āina i ka Pono.
The Sovereignty of the Land is perpetuated in Righteousness.

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312

Testifier position: Oppose

Testifier will be present: No

Submitted by: Rev. John R. Heidel

Organization: The Interfaith Alliance Hawaii

E-mail: jheidel@hawaii.rr.com

Submitted on: 2/10/2012

Comments:

Research has shown little financial benefit but much negative social impact.

Please do not pass out of committee. Mahalo.

February 13, 2012

TO: Rep. Tom Brower, Chair
House Committee on Tourism

FROM: Rev. Bob Nakata, Chair
Division of Church and Society
The United Methodist Church, Hawaii District

RE: H.B. 2788 Relating to Gaming

Thank you for this opportunity to testify in strong opposition to HB 2788. The Worldwide United Methodist Church has a long and strong tradition of adamant opposition to legalized gambling of all forms.

This proposal for just one stand-alone casino in Waikiki is obviously aimed at the tourist from outside of Hawaii. By doing so the proponents are showing their concern about gambling's negative social impact on the local population, and/or are conceding that the population of Hawaii residents that goes to Las Vegas in large numbers for a vacation with family and friends will continue to do so. These folks discipline themselves in the amount they plan to lose on gambling; gambling is not the main reason for going to Las Vegas.

The danger for Hawaii's economy from this proposal then is that for the targeted population (tourists), gambling is either a discretionary expense so when the national economy is down, they will not come, further depressing our economy at such times. Or, for those tourists who come because of an addiction to gambling or at least a strong affinity, gambling losses could strand them here, adding to strains on our social safety network (food stamps, homelessness, etc.)

The experience of Las Vegas in the Great Recession should be instructive. This bill should be killed.

Gambling Doesn't Pay, It Costs

I was a student minister pastoring my first small country church when I got the phone call late one evening. Someone had been parked in the church parking lot all day, and people were concerned. They knew whose car it was, and some folks had seen him walking around the church grounds. Phone calls were made, the police went to check into the situation and found John had shot himself on the steps of the church. John was a hard working man who owned his own vending machine business. In the last two years he had made more and more frequent trips across the Ohio River to Cincinnati to the gambling boats there. John began to lose more and more money, borrowing against his business; he finally faced divorce and bankruptcy. It all became too much for him so he left a note for his ex-wife and two teen-age children and ended his life.

I appeal to our lawmakers and leaders to examine the facts related to gambling. In these challenging economic times I understand the temptation to look to gambling as a possible way to bring in revenue. However, this is a short-sighted approach that offers a quick fix today but lasting problems in the future.

According to the report of the National Research Council on Gambling, the statistics from various studies show the serious negative impacts of gambling on individuals, families and communities. Eventually the costs of gambling begin to fall to the community and state as the problems related to gambling take root: crime, loss of employment and bankruptcy, just to name a few. According to the National Research Council Report, "as access to money becomes more limited, gamblers often resort to crime in order to pay debts, appease bookies, maintain appearances, and garner more money to gamble."

Another aspect that the report identifies is the people most at risk for developing addictive or pathological gambling problems. The study concludes that problem gambling is found "proportionally more often among the young, less educated, and poor."

So while the big gambling lobbyists may tempt us to balance our budget with funds from casinos, lottery, or slot machines, let us keep in mind the health and well being of all Hawaii's citizens, young and old, wealthy and poor. Why take a gamble on something that has proven time and time again to bring disintegration to people, communities and society? Hawaii is a unique state in our nation. Our natural beauty, richly diverse culture and fascinating history make Hawaii a premier destination for tourists and guests from around the world. Let us capitalize on our strengths rather than selling our birthright for a pot of gambling stew.

Respectfully Submitted
Rev. Kerry Grogan
Christ Church Uniting Disciples and Presbyterians
Kailua, HI

HB 2788

Individuals

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 6:37 PM
To: TOUtestimony
Cc: msbain@hawaiiantel.net
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: Yes
Submitted by: Rev. Stanley Bain
Organization: Individual
E-mail: msbain@hawaiiantel.net
Submitted on: 2/11/2012

Comments:

My name is Stanley Bain, I am an ordained minister in the United Methodist Church with 35 years of ministry in the state of Hawai'i. I am opposed to HB2788 and SB2210 because "gambling is a menace to society, deadly to the best interests of moral, social, economic and spiritual life, destructive of good government and good stewardship." (Social Principles of The United Methodist Church 2009-2012, p.38. Copyright 2009 by the United Methodist Publishing House.)

Furthermore, I oppose any attempt by the state to use gambling as a source of revenue because it is a regressive tax. Public funds should be derived from a progressive tax according to the income levels of individuals and businesses.

I urge the committee to defeat HB2788.

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 1:28 PM
To: TOUtestimony
Cc: konalajr@yahoo.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Donald W. Baldwin Jr.
Organization: Individual
E-mail: konalajr@yahoo.com
Submitted on: 2/11/2012

Comments:

I strongly oppose this bill. Let's look at other ways to help the economy and not regret in the future the problems that we'll inherit.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 1:31 PM
To: TOUtestimony
Cc: dorabaldwin@yahoo.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Doralynn Baldwin
Organization: Individual
E-mail: dorabaldwin@yahoo.com
Submitted on: 2/11/2012

Comments:

I adamantly oppose this bill. We don't need more crime and violence and broken individuals and families associated with any form on gaming.

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 1:41 PM
To: TOUtestimony
Cc: ainokea_69@yahoo.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Kaleialii D. Baldwin
Organization: Individual
E-mail: ainokea_69@yahoo.com
Submitted on: 2/11/2012

Comments:

I oppose this bill. Better to save the health and welfare of families than have all the negative results that come with gaming.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 10:19 AM
To: TOUtestimony
Cc: leloyp@juno.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: LELOY BANKS
Organization: Individual
E-mail: leloyp@juno.com
Submitted on: 2/12/2012

Comments:

PLEASE DO NOT BE SWAYED BY THOSE WHO THINK GAMBLING WILL SOLVE
HAWAII'S ECONOMIC ILLS.
IT HAS NOT ACCOMPLISHED THAT IN ANY OTHER STATE, AND WILL ONLY ADD TO
OUR PROBLEMS HERE. SOME DO NOT REALIZE THAT MOST OF THE MONEY IS NOT
GOING TO STAY IN HAWAII.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 6:03 AM
To: TOUTestimony
Cc: patriciablair@msn.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Patricia Blair
Organization: Individual
E-mail: patriciablair@msn.com
Submitted on: 2/11/2012

Comments:

All indications are that gambling is as addictive and harmful as crack/cocaine. Why in the world would the Hawaii State Legislature want to approve gambling/gaming in Hawaii? Don't we have enough unsolved social problems? Drop the idea now please.

From: Elaine Brown [mailto:elainebrown@hawaii.rr.com]
Sent: Saturday, February 11, 2012 8:36 AM
To: Rep. Tom Brower
Subject: OPPOSITION TO HB 2788 Relating to Gaming

Please vote NO on HB 2788.

As a 4th generation resident on Oahu, I respectfully ask you to oppose any gambling bill.

We have made many sacrifices to build up our community and State to become a wholesome place with the Aloha Spirit.

A gambling industry in Hawaii does not promote the Aloha Spirit but addiction and self-gaining entertainment.

We can make wiser choices to become financially sufficient and not sell out to industries that leads to more social ills.

This is not what we want to leave future generations as our legacy.

Please hold the line and oppose HB 2788 and any other gaming bills.

Thank you very much.

Elaine Brown

Resident and Voter, Honolulu, Hawaii

From: Clif Burchfield [mailto:cliftwo@hotmail.com]
Sent: Saturday, February 11, 2012 1:35 PM
To: Rep. Tom Brower
Subject: OPPOSITION TO HB 2788 Relating to Gaming

Aloha Rep Brower,

Please vote NO on HB 2788.

The social costs associated with gambling — such as losses due to crime, additional law enforcement costs, gambling addiction treatment costs, and lost work productivity — are staggering, often far exceeding a state or community's total revenues from gambling. Given these and other considerations, it is unconscionable that our State government would promote any form of gambling activity. Legalized gambling is ravaging the lives of untold thousands of individuals and families, and contributes substantially to the moral decay of our communities. Therefore, we believe legalized gambling, in all its forms, should and must be vigorously opposed.

As one local Pastor put it "Bringing legalized gambling to Hawaii to help our economy is just like bringing the mongoose to Hawaii to help with the rats."

Sincerely,
Clifton Burchfield, II
757 Gulick Ave #6
Honolulu, HI 92819
808.223.4202

From: Jacob Chung [mailto:jyochung@hotmail.com]

Sent: Sunday, February 12, 2012 9:02 PM

To: Rep. Tom Brower

Subject: Oppose HB-2788

Mr. Brower,

I know people that lost their home, family and job in the name of gambling. Passing the gambling bill will only encourage those, and will influence others. They will feel that it's OK because it's legal and will cause them to get deeper into debt. They will think, "If I can do it one more time to break even..." but will fall deeper into debt. They will likely find no way out and possibly become suicidal. It's like the mongoose; it was brought to Hawaii to control the infestation of the rats. Well, it wasn't factored in that the mongoose sleep at night and that's when the rats come out; this resulted in the problem of controlling the mongoose and the rats. Go figure?

I oppose HB-2788

Very Respectfully,
Jake Chung

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Antoinette M Davis
Organization: Individual
E-mail: toni@a3h.org
Submitted on: 2/8/2012

Comments:

Aloha Chair, Vice Chair and members of the Committee,

A3H completely disagrees with legalizing gambling no matter how restricted or what precautions go hand in hand. Once this Pandora's box is open, that's it.

The impact gambling has on the social fabric of the local community is well documented and NOT complimentary to our culture or people, especially Hawaii where the cost of living is already high. Legalized gambling is a sinister and cynical tax on the elements of society that can least afford it - One might even use the word "Evil" to describe it.

Hawaii's tourism should continue its balanced approach - one which incorporates the protecting, preservation and management of our most unique assets: Our Beautiful Natural Resources & Hawaiian Culture.

Mahalo for this opportunity to testify,
Toni

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 4:09 PM
To: TOUtestimony
Cc: Strider4JC@aol.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: Yes
Submitted by: Strider Didymus
Organization: Individual
E-mail: Strider4JC@aol.com
Submitted on: 2/12/2012

Comments:

“They divide my garments among them and CAST LOTS for my clothing.” (Psalm 22:18)
Note: This prophecy was written 800 years before the Romans invented crucifixion.

“They came to a place called Golgotha (which means The Place of the Skull). There they offered Jesus wine to drink, mixed with gall; but after tasting it, he refused to drink it. When they had CRUCIFIED HIM, they divided up his cloths by CASTING LOTS.” (Matthew 27:33-35)

“They brought Jesus to the place called Golgotha (which means The Place of the Skull). Then they offered him wine mixed with myrrh, but he would not take it. And they CRUCIFIED HIM. Dividing up his clothes, they CAST LOTS to see what each would get.” (Mark 15:22-24)

“When they came to the place called the Skull, there they CRUCIFIED HIM, along with the criminals - one on his right, the other on his left. Jesus said, “Father, forgive them for they do not know what they are doing.” And they divided up his clothes by CASTING LOTS.” (Luke 23:33-34)

“When the soldiers CRUCIFIED JESUS, they took his clothes, dividing them into four shares, one each of them, with the undergarment remaining. This garment was seamless, woven in one piece from top to bottom. “Let’s not tear it,” they said to one another. “Let’s decide by LOT who will get it.” This happened that the scriptures might be fulfilled which said, “They divided my garments among them and CAST LOTS for my clothing.” So this is what the soldiers did.” (John 19:23-25)

So, what was the first thing that they did when they CRUCIFIED JESUS, they CAST LOTS? Yes, they gambled on the unknown and ultimately threw their lives away; please do not make the same mistake and repeat history here, for you do know what you are doing and it is WRONG!!!

In the name, blood and authority of JESUS - King of Kings and Lord of Lords.
Amen.

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Susan Dursin
Organization: Individual
E-mail: sgd8@hawaiiantel.net
Submitted on: 2/9/2012

Comments:

I am strongly opposed to HB2788. The establishment of a casino in Waikiki is the beginning of a process that will result in social and economic change. It will not be good for the people of Hawaii. You hear only the rosy figures from the gaming industry. Cost/benefit statistics would give you a different picture. By legalizing gambling you are admitting that you will tolerate social damage and personal pain in exchange for revenue that certainly will not be as positive as you've been led to believe. That is poor public policy, and it's irresponsible government. Please do not support HB2788.

February 11, 2012

Dear Hawaii Legislature,

Please do not invite gambling, with all of its cultural impact, into our beautiful State of Hawaii.
Vote NO on HB2788.

Gambling is one of the worst and most common addictions. There is obviously a dark side to the activity when even your own proposed bill must add a resource for treating gambling addiction at the same time the casino is proposed. Gambling is on the rise for young people. In my own family I have seen young people addicted to online poker. The young people of our country have enough problems with “acceptable” damaging behaviors. Please don’t encourage gambling.

Please maintain our beautiful Hawaiian culture. The short term promise of tax revenues does not outweigh the long term cultural damage of gambling, and in fact any financial gain is false given the increased need to combat crime, domestic violence, and homelessness due to this disease.

Take a look at some documented facts I found from Florida Casino Watch (<http://floridacasinowatch.org/2011/08/understanding-gambling-addicts/>):

- **60% of those addicted to gambling will commit crimes** ¹.
- **20% of gambling addicts commit or attempt suicide** ².
- **63% of gambling addicts are alcoholics** ¹.
- **20% of addicted gamblers have filed for bankruptcy** ³.
- **50% will abuse spouses and children** ⁴.
- **20% of the homeless are gambling addicts** ⁵.
- **50% of gambling addicts will divorce** ⁶.
- **The average (gambling) debt is between \$63,000 and \$110,000** ⁷.

1. California Council on Problem Gambling 2. National Council on Problem Gambling 3. Prof. John Warren Kindt Bankruptcy Developments Journal, volume 19, No.1 4. National Research Council, The Guardian 5. Atlantic City Rescue Mission and Association of Gospel Rescue Missions in Kansas 6. National Opinion Research Center survey 7. CT Department of Mental Health.

They also note that living within 10 miles of a casino will increase the likelihood of gambling problems by 90%. Society’s cost of a problem gambler is \$13,586 per year, due to the crime, suicide, work problems, bankruptcy, etc.

We don’t need this in Hawaii. Please keep our culture Hawaiian.

Sincerely,

Gayle Early, PhD, APRN
30 Kewai Place
Pukalani, HI 96768
(808)572-9839

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 8:30 PM
To: TOUtestimony
Cc: duaneerway@Hawaii.rr.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Duane Erway
Organization: Individual
E-mail: duaneerway@Hawaii.rr.com
Submitted on: 2/12/2012

Comments:

The advocates of gambling say it will be good for us: want to bet on it?

Except for Los Vegas, states with casino gambling is an economic disaster.

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 10:39 AM
To: TOUtestimony
Cc: balunz4u@aol.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Support
Testifier will be present: No
Submitted by: Karen Force
Organization: Individual
E-mail: balunz4u@aol.com
Submitted on: 2/12/2012

Comments:

My name is Karen and I am in strong support of HB2788. With the current condition of our state's finances, this is a great opportunity that we must take advantage of immediately. Some have said that this will lead to the rise of organized crime, increased drug use, more gambling addicts and be the downfall of our state. However, this is not true. Many other states have had some kind of legalized gambling for many years and are better off because of it. They have not succumbed to all the negative stereotypes. Please move forward on this issue. Thank you.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 10:38 AM
To: TOUtestimony
Cc: class_clown_19@yahoo.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Support
Testifier will be present: No
Submitted by: Melissa Force
Organization: Individual
E-mail: class_clown_19@yahoo.com
Submitted on: 2/12/2012

Comments:

My name is Melissa Force, and I am in strong support of having gaming opportunities in Hawaii. I enjoy gambling and would like the opportunity to enjoy it here at home, whether it be in a casino setting, lottery, etc. This will help help our economy improve by keeping money in our state and providing much needed jobs. We must look at the future and diversify and promote the growth of our economy, because the old ways are no longer sufficient. Thank you for your consideration.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Friday, February 10, 2012 7:51 PM
To: TOUTestimony
Cc: hoagy@hawaii.rr.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: John A. Hoag
Organization: Individual
E-mail: hoagy@hawaii.rr.com
Submitted on: 2/10/2012

Comments:

Please hold this economically flawed bill. As the former President of the state's largest bank the introduction of legalized gambling has been studied repeatedly by OBJECTIVE and skilled economists. Every major business and law enforcement agency confirms these studies, e.g. the Chamber of Commerce of HI, the HI Business Roundtable, The HI Bankers Ass'n, Small Business HI, etc.

The false promises of new tax revenues are soon outweighed by policing, social costs and corruption. See the stats in Nevada; highest suicide rates, bankruptcies, family abuse, serious addictions, school dropouts in the nation. Please review the facts. Let's keep Hawaii pono!
Mahalo.

Regret typographical error. Final sentence of testimony should read:

Vote NO on HB 2788!

Entire resubmitted testimony as follows:

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312

Testifier position: Oppose

Testifier will be present: No

Submitted by: Jerry W. Jordan

Organization: Individual

E-mail: jordajw1@gmail.com

Submitted on: 2/12/2012

Comments:

I implore you to vote NO on any form of legalized gambling in the State of Hawaii.

The Families of Hawaii must be protected from the many social problems that come with any form of legalized gambling. Gambling preys on the vulnerable and attacks the very fiber of the Family Unit. Dreams of instant riches are the figment of a desperate mind, never to be realized; instead, addictive behavior likely results in ALL the attendant ills and evils of society - poverty, divorce, mental health instability, suicide, bankruptcy, child abuse, domestic violence, crime and untimely death.

Why subject the People of our beloved State of Hawaii to this scourge for the sake of the "potential" for increased revenues?

Vote NO on HB 2788!

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 10:49 PM
To: TOUtestimony
Cc: jkarbens@aol.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: John P. Karbens
Organization: Individual
E-mail: jkarbens@aol.com
Submitted on: 2/11/2012

Comments:

Please do not allow gambling of any kind in Hawaii. The financial and social costs related to increased gambling will fall on citizens of Hawaii. The benefits of a monopoly casino in Waikiki will flow to the one organization which is awarded the monopoly and to those bought off in the process.

Such a monopoly will inevitably lead to pressure to approve additional casinos and other forms of gambling. A casino will attract even more prostitutes, drug dealers, pawn brokers and money launderers than already exist in Waikiki. Hawaii is incapable of dealing effectively with the current levels of crime in Waikiki.

I grew up around legal and illegal gambling dominated by organized crime. I also lived in Nevada. These first hand experiences indicate that illegal gambling in Hawaii will increase once gambling is legalized.

The wholesome, family atmosphere based on outdoor activities in Waikiki will be adversely affected by planting a casino in Waikiki. The majority of tourists visiting Hawaii will shift from the current profile to a one represented by seedy gamblers.

A casino in Waikiki will attract the least desirable residents of Hawaii and further discourage families and non-gambling residents from going to Waikiki.

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312

Testifier position: Support

Testifier will be present: No

Submitted by: William Karsten

Organization: Individual

E-mail: 1seanjo@gmail.com

Submitted on: 2/12/2012

Comments:

I have been a resident on Oahu for at least 20 years and have seen taxes increase constantly with no real idea to try and curb them. I feel that we all pay our fair share of taxes and this bill would take some of that burden off of us. It can be controlled as to not be a negative to our island and help many people. Respectfully William Karsten.

From: Laura Kessler [mailto:kesslerlaura_@hotmail.com]
Sent: Saturday, February 11, 2012 8:47 AM
To: Rep. Tom Brower; Rep. James Tokioka
Subject: Gambling

Please vote NO on HB 2788.

I've seen first hand terrible side effects of gambling in Saipan and in Tribal casinos across Arizona. I lived in Saipan and watched corner gambling shops pop up everywhere and the poor dumping what little money they had in there. I was amazed how suddenly many poor men who had never gambled ran into these places. I also lived near an Arizona Tribal casino and saw many "regulars" (addicts). Every pay check goes to gambling while their debt mounts. But the worst is when you see their kids outside in the parking lots waiting for the parents to immerge. Kids are left unattended for long time periods, if not in the parking lot, then somewhere else. Also the elderly parents suffer when their adult children become gamblers.

Regret will come if gambling ever does come to Hawaii and you had the opportunity to stop it. Once you see the sad & waiting kids, your stomach will be sick. I've felt it and it's horrible.

Hawaii doesn't need gambling, it needs responsible government.

Thank you,

Laura Kessler
Honolulu

From: Ernest Nearman [mailto:f1c7@me.com]
Sent: Friday, February 10, 2012 8:18 PM
To: Rep. Tom Brower
Subject: OPPOSITION TO HB 2788 Relating to Gaming

Please vote NO on HB 2788.

Allow gambling on the cruise ships but not while in dock or anchored out. Only while the ship is underway. Result, more cruise ships coming to Hawaii.

"Preach the gospel daily and some times use words"
Ernie & Yvonne

God wants us to talk with Him about the lost before we talk to the lost about Him

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312

Testifier position: Oppose

Testifier will be present: No

Submitted by: jesse ponce de leon

Organization: Individual

E-mail: newswireh@yahoo.com

Submitted on: 2/10/2012

Comments:

I strongly oppose bill HB 2788.

JPDL

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 1:36 PM
To: TOUtestimony
Cc: ashtonsaifoloi@yahoo.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Ashton Saifoloi
Organization: Individual
E-mail: ashtonsaifoloi@yahoo.com
Submitted on: 2/11/2012

Comments:

I oppose this bill. We are fine without any form of gaming in this state.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 1:34 PM
To: TOUtestimony
Cc: hulahands87@gmail.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Dara N. Saifoloi
Organization: Individual
E-mail: hulahands87@gmail.com
Submitted on: 2/11/2012

Comments:

I absolutely oppose this bill.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 3:42 PM
To: TOUtestimony
Cc: gshimizu1@hawaii.rr.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Garner Shimizu
Organization: Individual
E-mail: gshimizu1@hawaii.rr.com
Submitted on: 2/11/2012

Comments:

To our Honorable Elected Officials,

Hawaii is a very "special" place, and as a result tourism is our top industry. Even though we are in the middle of the Pacific, people around the world will endure long expensive travel because they want to come here to experience this. It is special because of the natural beauty, the culture of our host people, and the resulting environment that provides the "aloha" spirit. It is a fragile intangible entity.

The introduction of gambling is a high risk "gamble" that has a very high probability of negatively affecting and ultimately destroying this "special" place. We will no longer have a unique status in the world as a "must see" destination when our culture and way of life is forever destroyed, for future generations that follow.

When you seriously consider the very likely negative consequences from gambling, it should be clear that the risks and liabilities far outweigh any narrow monetary gains. There are priceless things in life that money cannot buy.

Among the negatives that prevail at other gambling destinations are as follows:

1. Gambling breeds crime. Any form of legalization makes an attractive target for organized crime and welcomes an increase in criminal activity.
2. Addiction and family deterioration. There is sufficient evidence based on research and expert testimony that supports the fact that

Garner Shimizu

legalized gambling develops devastating gambling addictions, and as gambling expands so does the number of those with serious gambling problems. Families are devastated because gambling exploits the vulnerable (the young, old, and those susceptible to addictive behaviors), and entices the disadvantaged with the unrealistic hope of escape from poverty through instant riches. Those with fixed and limited incomes are affected most.

Wholesome character traits like hard work, saving, sacrifice, and the like are replaced with the mentality that money and success can be easily won thru random gaming entertainment. Authorities in gambling jurisdictions report dramatic increases in divorce, suicide, bankruptcy, and child abuse and domestic violence related to gambling. Research shows that children of gambling addicts experience lower levels of mental health and physical well-being.

3. There is a resulting negative economic impact due to the increased related social costs. Costs - such as losses due to crime, additional law enforcement, lost work productivity - are significant and can far outweigh the revenue from gambling, resulting in a significant net loss. And just as our culture and environment is priceless, the cost of damaged and deteriorated lives is immeasurable.

The projected or hoped for increase in additional revenues, and economic, job and tourism growth are not guaranteed; and in fact can be disputed by other locales that introduced gambling as an easy source of income.

Given these and other considerations, it is unconscionable that our State government would promote any form of gambling activity. It is an opening and introduction of more, even greater negatives that will follow. Legalized gambling is a highly unproven benefit, and yet contributes substantially to the moral decay of our communities. Therefore we believe legalized gambling, in all its forms should and must be vigorously opposed.

Thanks and aloha,
Garner Shimizu

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Linda Soll
Organization: Individual
E-mail: lsoll@hawaii.rr.com
Submitted on: 2/12/2012

Comments:

Please do not allow gambling to become legal in Hawaii. The price our society would pay is much larger than any monetary value we could derive.

Protect our families and the poorest among us by opposing HB 2788.

Respectfully,

Linda Soll

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 1:43 PM
To: TOUtestimony
Cc: corietanida@gmail.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Support
Testifier will be present: Yes
Submitted by: Corie Tanida
Organization: Individual
E-mail: corietanida@gmail.com
Submitted on: 2/11/2012

Comments:

My name is Corie Tanida and I am in strong support of HB2788. I commend the committee for taking initiative and looking at new sources of income for our state. Obviously, with our deficit, current methods are no longer sufficient. I am glad that our legislators are looking out for future generations by diversifying our economy. I trust that the committee will give this the full consideration it deserves and move forward. Thank you.

From: ROBERTA Teixeira [mailto:larobub@msn.com]
Sent: Sunday, February 12, 2012 8:27 PM
To: Rep. Tom Brower
Subject: OPPOSITION TO HB 2788 Relating to Gaming

Please vote NO on HB 2788.

Appreciate your call to be a Representative in Hawaii. I hope and pray that you'd make the decision that is best for our State of Hawaii. We would very much want it to remain without any form of legalized/ing gambling. Just think how that would cause hundreds and possibly thousands to succumb to another form of addiction. Possibly causing our crime rate to jump higher. More crime, more broken families! We perhaps need another form or method of recreation.

In God We Trust,
God Bless You,
Roberta Teixeira

TESTIMONY ON HB2788
RELATING TO GAMING

By
Charles T. Toguchi

House Committee on Tourism
Representative Tom Brower, Chairperson
Representative James K. Tokioka, Vice-Chairperson

Monday, February 13, 2012, 9:15AM
State Capitol, House Conference Room 312

Aloha Chair Brower, Vice-Chair Tokioka and members of the House Committee on Tourism.

My name is Charles Toguchi and I'm here this morning to testify in support of HB2788, which proposes to grant a twenty-year license for one stand-alone casino in Waikiki. The bill also establishes a Hawaii Gaming Control Commission and imposes a fifteen per cent wagering tax on gross receipts of the casino.

I'm testifying as a private citizen and do not represent any organization or gaming interest. I travel to Las Vegas once or twice a year, consider myself a "social gambler", and I only wager what I can afford. I'm usually accompanied on these trips by my wife, and my 94 year old mother-in-law who celebrates her birthday each May playing the slot machines in Vegas. This is the first time that I'm publicly testifying in support of a gaming bill.

As a family, we are not unique in any way as it relates to our travels to Nevada. Over the past few years I have learned that hundreds of thousands of Hawaii residents take more than a half a million (500,000) trips to Las Vegas each year. I'm told that they spend close to a billion dollars (\$1,000,000,000) each year in Vegas, with one key hotel casino chain benefiting by more than a half a billion dollars (\$500,000,000) each year. Even with my relatives and friends, more than 60% of them travel to Vegas.

I can now understand why a major Las Vegas casino organization spends millions of dollars advertising and promoting its amenities in Hawaii. Our local sporting venues and games, our radio and TV stations, our charity events, our emails and mailboxes are constantly filled with materials promoting Las Vegas as our "Ninth Hawaiian Island." At the UH/Nevada basketball game last Thursday night, I saw approximately 15 banners and signs in the sports arena promoting our "favorite" hotel/casino in Vegas. These UH games have also been utilized to give away drawings and promo trips to Las Vegas. Every day, every week, every year, thousands and thousands of Hawaii residents fill our airports and catch flights to Las Vegas. There may be no

legalized gambling in Hawaii and Utah but, gaming in Hawaii is definitely a part of the Las Vegas casinos' business plans.

It is quite clear to me that Hawaii residents export hundreds of millions of dollars to Las Vegas each year. HB2788 is a way to establish a stand-alone casino in Waikiki and keep a major part of those monies in Hawaii. It will definitely help Hawaii's economy, provide additional jobs and provide funds for programs that serve the people of Hawaii.

Finally, what is my 94 year old mother-in-law's opinion on establishing a stand-alone casino in Waikiki? Since she walks with the help of a cane and the use of a wheel chair at times, she said 'I guess I may be able to play slots **once a month** in Waikiki instead of **once a year** in Vegas.'" She strongly supports HB2788.

Thank you for this opportunity to testify on HB2788, Relating To Gaming.

Sincerely,
Charles T. Toguchi

From: dttomita@hawaiiintel.net [mailto:dttomita@hawaiiintel.net]
Sent: Sunday, February 12, 2012 7:08 PM
To: Rep. Tom Brower; Rep. James Tokioka; Rep. Barbara Marumoto; Rep. Scott Nishimoto; Rep. Clifton K. Tsuji; Rep. Corinne Ching; Rep. Karen Awana; Rep. Isaac W. Choy; Rep. Cindy Evans; Rep. Mark Hashem; Rep. Angus McKelvey
Cc: grassroots@hawaiiifamilyforum.org
Subject: Oppose HB2788 and Legalizing Gambling in Hawaii

Dear Legislator: I have read your bios and see that each of you have a deep love for our Islands and want to better our Island residents lifestyle. I have lived here in the islands for all my life except for four years of ministerial training in Texas(59 years old this October, born and raised on Maui, graduated from UH Manoa in 1975, lived on the Big Island since 1987) I strongly oppose HB2788 and readily see the flaws in considering this bill. Please for the sake of Hawaii's future, you must kill this bill immediately! For the past several years, I have opposed this issue with great conviction that this seemingly quick-fix idea that our sagging economy would benefit from legalizing gambling is a mirage. With the thousands on the welfare rolls, Hawaii is already a welfare nightmare. We do not have the necessary workforce to minimize welfare fraud and abuse presently. If gambling was legalized, Hawaii will be forever plagued by a growing population of desperate people, homeless because they spent the limited funds at their disposal(work and/or welfare checks) to gamble and lose they will because as we all know THE HOUSE ALWAYS WINS! That's why casino owners want to bring gambling(or gaming as some want to soften the image) to the Islands. Changing the name does not change the game because Hawaii will be the big loser in the long run. Desperate people will pawn valuables and when they exhaust that source will resort to stealing from family, friends and eventually strangers. This in turn will quickly turn into violent crime because desperate people will do almost anything in their desperation to support their addiction. If they spent their checks on gambling instead of food or housing, in their desperation they will resort to violence to put off the inevitable: homelessness and already the tourism industry is being impacted by the negative impacts of homelessness---don't you think that the Chinese, Japanese and mainland visitors already see in Waikiki and downtown Honolulu the effects of the homeless(consider in just five short years, you will see triple or maybe even 10 times the homeless problem on every island where gambling is allowed. And we already know that the Native American Indian casino owners are just waiting in line to bring their expertise and casino interests to the Islands BUT the only reason they cannot is because Hawaii remains one of two states where it is still illegal to gamble in any form: lottery, casino, shipboard, cock fighting, football pools, etc. You must hold the line and say NO! to legalizing gambling--it is pure dillusion to think that you can limit casino

gambling to just one casino---any legislator proposing this "limited gambling" scheme is not being honest with his constituency. I believe that your committee can do better and propose creative ways to limit government spending, increase revenues without raising taxes and OPPOSE legalized gambling in Hawaii---use your collective expertise and love for Hawaii's future to stop this ploy by gaming interests. Don't be fooled by their talk of easy money! You and I know that if it is worth having, there is always a cost---the cost they are suggesting cannot come close to the negative impacts that will affect forever our Islands future. Hold the line: A Word to the Wise: If you can't afford the plane fare to the other 48 to gamble, you cannot afford to gamble, period! Especially if you are already on welfare, you cannot afford to gamble BUT mark my words, they will gamble AND lose because they will not be able to resist the lure of winning the Big One! Don't bring this plague to the Islands! Keep it in the other 48!

I pray that you will all do the right thing! Kill HB2788! Thank you for your consideration!

P.S. I have attached a letter for your perusal that I will read when the town meetings are held here in Hilo should you vote this out of committee. My prayer is that you will not! May God give you all great wisdom as you deliberate this matter!

Sincerely, Daniel T. Tomita, Pastor Kinoole Baptist Church, Hilo Hawaii

From Emailed Attachment: "Letter to HTH2 dated Jan23"

My name is Daniel Tomita and my wife and I have called the Big Island our home for the past 25 years. We are registered voters for the 2012 elections and strongly oppose any form of legalized gambling here in Hawaii. I have lived in Hawaii all my life and am proud to be an island son! I am extremely protective of our island way of life. Legalizing gambling will threaten and destroy our island paradise forever. Our legislators must remain vigilant and NOT approve any legislation to make gambling legal! Not now, not ever! They must resist the lures of the gambling lobby and money given to their reelection campaigns. They must also resist the illusion that gambling will bring needed dollars to our economy. To those seeking election in 2012, you will not get my vote if you support legalizing gambling! Remember, the one deterrent to those who cannot afford to gamble is the cost of airfare. If you can't afford the plane ticket to travel to any of the 48 states that have legalized gambling, you can't afford to gamble! I have already begun a petition to garner 100,000 signatures of those opposed to legalized gambling in any form. Seventy percent of those signing my petition are registered voters and they will make this an issue to determine who gets their vote.

Daniel T. Tomita, Pastor Kinoole Baptist Church, Hilo Hawaii

We live in a welfare state, where many families live on monthly subsidized income from the State, in food stamps, subsidized housing, medical and car insurance, subsidized school lunches for their children and monthly checks to help meet their living costs. They depend on the state's assistance and if they use their welfare checks to gamble, they will lose and be immediately homeless. Legalized gambling will bring a terrible epidemic of desperate people who will become homeless because they choose unwisely to gamble. Desperate people are dangerous people and will steal from the helpless and prey upon the elderly. Theft, drunkenness, domestic violence and murder are often the result of desperation and hopelessness. Be assured, violent crime will increase! Many seniors here in Hilo live alone without their extended families nearby to care for them and they will be targeted by these desperate people.

Make no mistake, once gambling is legalized, it will be permanent! Once we take the plunge, there will be no turning back. Some feel that we can test the waters and have a limited trial period. Look at the other 48 states and you know that this is a once and forever decision. The fragile "island lifestyle" will be a thing of the past. Poverty, fear, corruption and helplessness will be our future reality! A police officer once shared a rather insightful observation. A good indicator of a growing or diminishing community is the number of pawn shops it supports. When people are desperate to support their drug or gambling addictions, they will pawn their valuables and accept 1/10th of their original value. They will only do this when they are driven to desperation.

The lure of big money, winnings, visitors and locals bringing lots of cash will increase prostitution. Recently it was reported that large numbers of prostitutes travelled to Hawaii for the APEC convention last November. AIDS and other sexually transmitted diseases will escalate.

I recently was told that the only reason stopping the Native American Indian casino owners from building on Hawaiian Homes Lands is because in Hawaii, it is still illegal to gamble. Should this change, there will be no stopping the hoard of casino owners to come to Hawaii and build their casinos. It has been proven that organized crime and mob control of the gambling industry is already a present reality. Gangsters coming to our islands to protect the financial interests of the mob would increase and assault and murder will increase. Police and political corruption will increase.

Gambling and drug usage go hand in hand. Drugs and alcohol may temporarily lessen the pain of losing but the guilt and remorse they experience will eventually lead to more desperate measures such as suicide, theft, domestic violence and murder. Please don't let this happen to our citizens. Just say NO!

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Sunday, February 12, 2012 9:51 AM
To: TOUtestimony
Cc: CathyTsauro@gmail.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Support
Testifier will be present: No
Submitted by: Catherine Tsauro
Organization: Individual
E-mail: CathyTsauro@gmail.com
Submitted on: 2/12/2012

Comments:

My name is Catherine Tsauro, and I am in strong support of having gaming opportunities in Hawaii. As a frequent visitor to Las Vegas, I enjoy gambling and would like the opportunity to enjoy it here at home. This will help diversify our economy by keeping money in our state and providing much needed jobs. We must look at the future and diversify and promote the growth of our economy. Thank you for your consideration.

Sent: Sunday, February 12, 2012 9:52 AM
To: TOUtestimony
Cc: Tsauro@hawaii.edu
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Support
Testifier will be present: No
Submitted by: Nancy Tsauro
Organization: Individual
E-mail: Tsauro@hawaii.edu
Submitted on: 2/12/2012

Comments:

My name is Nancy Tsauro and I am in strong support of HB2788. With the current condition of our state's finances, this is a great opportunity that we must take advantage of immediately. Some have said that this will lead to the rise of organized crime and be the downfall of our state. However, this is not true. Many other states have had some kind of legalized gambling for many years and are better off because of it. Please move forward on this issue. Thank you.

George M. Waialeale
910 Kapahulu Avenue #703
Honolulu, Hawaii 96816
Email: geedubbyou@aol.com
Phone: (808) 383-0436

February 13, 2012

Committee on Tourism

HB 2788 Relating to Gaming

I am testifying in support of HB 2788. I believe this bill will help improve our economy in a time when we need to put people back to work.

With the State of Hawaii having the 23 billion dollars unfunded liability, this maybe the direction that will help solve this huge problem.

I believe this legislation is a step in the right direction. I commend those who came forward to introduce this legislation.

I ask for your passage of this legislation.

George Waialeale

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Saturday, February 11, 2012 3:44 PM
To: TOUTestimony
Cc: moonwalk1941@yahoo.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Helen Walker
Organization: Individual
E-mail: moonwalk1941@yahoo.com
Submitted on: 2/11/2012

Comments:

I am against the prospect of a casino and gambling in any form for Hawai'i. Just because many states have them it doesn't mean that we should, and it has been proven that poor people on the average gamble and that in itself will create more social problems, thus the profits gained from gambling will be needed to "cure" our social ills because of gambling. Nevada is not in high standing as far as education is concerned and that has the largest amount of casinos. If we need to gamble we'll go out of state to do that. Do not make it convenient for the residents of Hawai'i.

From: mailinglist@capitol.hawaii.gov
[mailto:mailinglist@capitol.hawaii.gov]
Sent: Friday, February 10, 2012 11:01 PM
To: TOUtestimony
Cc: monique68@gmail.com
Subject: Testimony for HB2788 on 2/13/2012 9:15:00 AM

Testimony for TOU 2/13/2012 9:15:00 AM HB2788

Conference room: 312
Testifier position: Oppose
Testifier will be present: No
Submitted by: Monique Yamashita
Organization: Individual
E-mail: monique68@gmail.com
Submitted on: 2/10/2012

Comments:

This is the worst idea any legislator in Hawaii can think of as a way to generate "revenue" for the state.

Legalized gambling is a cheap and devastating way to compromise the people of Hawaii. I wholeheartedly disagree with such a proposal.

Hawaii is beautiful, don't cheapen it with a gambling establishment anywhere or on an island.

HB 2788 LIST-

Individuals who did not provide comments

Conference room: 312

Testifier position:

Testifier will be present:

Submitted by:

Organization:

E-mail:

Submitted on:

Comments: NONE

Arranged in alpha order (by Last Name)

Katherine Book	Individual	Oppose
Winona Fuller	Individual	Oppose
Todd Hairgrove	Individual	Oppose
Ron Yoshida	Individual	Oppose