
A BILL FOR AN ACT

RELATING TO GAMING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 "CHAPTER

5 BINGO AND RAFFLES

6 PART I. PURPOSE AND DEFINITIONS

7 § -1 Purpose. The legislature declares that:

- 8 (1) All phases of the conduct of bingo and raffles, except
9 bingo games using free cards and donated prizes for
10 which no payment of consideration is made by
11 participants, should be closely controlled by
12 appropriate laws and rules that should be strictly and
13 uniformly enforced throughout this State;
- 14 (2) The conduct of bingo, raffles, and all attendant
15 activities, except bingo games using free cards and
16 donated prizes for which no payment of consideration
17 is made by participants, should be regulated to
18 discourage commercialization of bingo and raffles in



1 all forms, including the rental of commercial premises
2 for bingo or raffles, and to ensure the maximum use of
3 the profits of bingo or raffles exclusively for the
4 lawful purposes specified in this chapter or for the
5 advancement, improvement, or benefit of the licensed
6 organization that conducts bingo or raffles, under the
7 requirements of this chapter; and

8 (3) It is a matter of statewide concern to foster and
9 support these lawful purposes and to prevent
10 commercialized gambling, participation by criminal and
11 other undesirable elements, and diversion of funds
12 from the lawful purposes authorized in this chapter.

13 § -2 **Definitions.** As used in this chapter, unless the
14 context otherwise requires:

15 "Bingo" means a game in which players pay a consideration
16 to participate, in which seventy-five numbered objects are
17 available for selection, and those objects actually selected are
18 selected on a random basis, and in which each player
19 participates by means of cards sold, rented, or used only at the
20 time and place of the game, each card containing five rows of
21 five spaces each, each space printed with a number from 1 to 75,
22 except the central space, which is marked "FREE". Winners are

1 determined and prizes awarded on the basis of possessing a bingo
2 card on which some combination of numbers is printed and
3 conforms to the numbered objects selected at random based on a
4 predetermined winning arrangement. "Bingo", as used in this
5 chapter, shall not include any game using free cards and donated
6 prizes, if any, for which no payment of consideration is made by
7 participants.

8 "Bingo occasion" means a single gathering or session at
9 which a series of successive bingo games is played.

10 "Bingo supplies and equipment" means all cards, boards,
11 sheets, markers, pads, or other supplies, devices, or equipment
12 designed for use in the play of bingo.

13 "Board" means the recreational activities control board.

14 "Department" means the department of commerce and consumer
15 affairs.

16 "Extra regular card" means a nondisposable card that
17 affords additional opportunities to play in a regular bingo game
18 to be played at a bingo occasion.

19 "Gross receipts" means total receipts received from the
20 conduct of bingo or raffles, including but not limited to
21 receipts from the sale, rental, or use of regular bingo cards,
22 extra regular cards, special bingo cards, regular raffle



1 tickets, monthly raffle tickets, special raffle tickets, and
2 bingo or raffle supplies.

3 "Lawful purpose" means one or more of the following:

4 (1) Benefiting persons by:

5 (A) Enhancing their opportunity for religious or
6 educational advancement;

7 (B) Relieving or protecting them from disease,
8 suffering, or distress;

9 (C) Contributing to their physical well-being;

10 (D) Assisting them in establishing themselves in life
11 as worthy and useful citizens; or

12 (E) Increasing their comprehension of and devotion to
13 the principles upon which this nation was
14 founded;

15 (2) Initiating, performing, or fostering worthy public
16 works, or enabling or furthering the erection or
17 maintenance of public structures;

18 (3) Lessening the burdens borne by government, or
19 voluntarily supporting, augmenting, or supplementing
20 services that government would normally render to the
21 people; or



1 (4) Maintaining, improving, building an addition to,
2 repairing, or retiring the debt on existing buildings
3 and real property used for purposes enumerated in
4 paragraphs (1) to (3).

5 "Lawful purpose" does not include the erection or acquisition of
6 any real property except as provided in paragraph (4), unless
7 the board specifically authorizes the expenditures after finding
8 that the property will be used exclusively for one or more of
9 the purposes specified in paragraphs (1) to (4), nor does it
10 include any activities consisting of an attempt to influence
11 legislation or participate in any political campaign on behalf
12 of any elected official or person who is or has been a candidate
13 for public office.

14 "Licensed organization" means an organization licensed
15 under this chapter to conduct bingo or raffle games.

16 "Limited period bingo" means the conduct of bingo for a
17 period of not more than four out of five consecutive days in any
18 one year at a festival, bazaar, picnic, carnival, or similar
19 special function conducted by a licensed organization.

20 "Monthly raffle" means a raffle for which one or more
21 drawings are held and prizes awarded on a specified date no
22 later than thirty-one days after the sale of tickets has begun.



1 "Premises" means any room, hall, enclosure, tent, or
2 outdoor area in which bingo or raffle games are being played.

3 "Profit" means the gross receipts collected from one or
4 more bingo occasions or raffle occasions, less reasonable sums
5 necessarily and actually expended for bingo or raffle supplies
6 and equipment, prizes, utilities, license fees, and taxes.

7 "Raffle" means a game of chance in which tickets are sold
8 and a drawing for prizes is held.

9 "Raffle occasion" means a single gathering or session in
10 which a series of successive raffle drawings are played.

11 "Raffle supplies and equipment" means all cards, boards,
12 sheets, markers, pads, or other supplies, devices, or equipment
13 designed for use in the play of raffles.

14 "Regular bingo card" means a nondisposable card issued to a
15 person upon payment of the admission fee which affords a person
16 the opportunity to participate in all regular bingo games played
17 at a bingo occasion.

18 "Regular bingo game" means a bingo game in which a person,
19 upon payment of an admission, is issued a regular bingo card and
20 may purchase or rent extra regular cards.



1 "Regular raffle" means a raffle for which a single drawing
2 for prizes is held on a specified date after the sale of tickets
3 has been completed.

4 "Service organization" includes all of the following:

- 5 (1) A labor organization, recognized under section 377-14,
6 whose jurisdiction is limited to a specific
7 geographical area within the State; and
8 (2) A political party, as defined in section 11-61.

9 "Special bingo card" means a disposable, specially marked
10 bingo card which affords a person the opportunity to participate
11 in a special bingo game to be played at a bingo occasion.

12 "Special bingo game" means any bingo game that is not a
13 regular bingo game and that is played with special bingo cards.

14 "Special raffle" means a raffle for which one or more
15 drawings are held and prizes awarded on the same day as the
16 tickets are sold.

17 **PART II. RECREATIONAL ACTIVITIES CONTROL BOARD**

18 § -11 **Recreational activities control board;**
19 **appointment.** (a) There is established within the department a
20 recreational activities control board consisting of seven
21 members who shall be appointed by the governor in the manner
22 prescribed by section 26-34.



1 (b) Five members of the board shall be officers,
2 directors, or clergy of a bona fide religious, charitable,
3 fraternal, or veterans' organization or any tax-exempt
4 organization under the Internal Revenue Code of 1986, as
5 amended. Two members shall be public members. Four members of
6 the board shall be residents of the city and county of Honolulu,
7 and three shall be residents of counties other than the city and
8 county of Honolulu.

9 (c) The members of the board shall serve without
10 compensation but shall be reimbursed for expenses, including
11 travel expenses, necessary for the performance of their duties.

12 § -12 **General duties of the board.** The board shall:

- 13 (1) Hear appeals on denial of licenses by the department
14 under this chapter;
- 15 (2) Conduct hearings on the suspension or revocation of a
16 license for violation of this chapter or any rules
17 adopted under this chapter;
- 18 (3) Adopt rules pursuant to chapter 91 relating to the
19 issuance, renewal, amendment, suspension, and
20 revocation of bingo and raffle licenses and the
21 conduct of bingo or raffles under this chapter;



- 1 (4) Approve and establish a standard set of bingo cards
- 2 comprising a consecutively-numbered series and
- 3 prescribe by rule the manner in which the cards shall
- 4 be reproduced and distributed to a licensed
- 5 organization;
- 6 (5) Approve and establish a standard set of raffle tickets
- 7 comprising a consecutively numbered series and
- 8 prescribe by rule the manner in which the tickets
- 9 shall be reproduced and distributed to a licensed
- 10 organization; and
- 11 (6) Prescribe appropriate forms necessary to carry out
- 12 this chapter.

13 § -13 Department powers and duties. The department
14 shall:

- 15 (1) Issue, renew, and amend licenses to:
 - 16 (A) Organizations to conduct bingo or raffles;
 - 17 (B) A supervisory member designated by the
 - 18 organization; and
 - 19 (C) A member designated by the organization who is
 - 20 responsible for the gross receipts;
- 21 (2) Have power to temporarily suspend any license;



- 1 (3) Make recommendations to the board regarding
- 2 suspensions and revocations of licenses;
- 3 (4) Refer for investigation potential or actual violations
- 4 of this chapter and rules adopted under this chapter
- 5 to the prosecuting attorney in the county in which a
- 6 bingo or raffle occasion will be or was held;
- 7 (5) Make a continuous study of the operation of this
- 8 chapter and similar laws in effect in other states to:
- 9 (A) Ascertain if there are defects that jeopardize or
- 10 threaten to jeopardize the purpose of this
- 11 chapter; and
- 12 (B) Determine how the experience of other states in
- 13 administering similar laws may improve this
- 14 chapter or its administration;
- 15 and
- 16 (6) Recommend to the board changes to state law as the
- 17 department determines are necessary to carry out the
- 18 purposes of this chapter.

19 § -14 **Conflict of interest prohibited.** No member of the
20 board or employee of the department assigned duties under this
21 chapter shall:



1 (1) Own, be employed by, or have any pecuniary interest in
2 any business engaged directly or indirectly in the
3 manufacture, distribution, or sale of bingo or raffle
4 supplies and equipment, or be the spouse of or related
5 in the first degree of kinship to any person so
6 employed or interested;

7 (2) Participate in the approval, denial, revocation, or
8 suspension of any application or license for an
9 organization of which the member or employee is an
10 officer, director, shareholder, or member;

11 (3) Engage in private employment or in a profession or
12 business that conflicts with the performance of the
13 member's or employee's official duties; or

14 (4) Engage in any business, transaction, or professional
15 activity or incur any obligation of any nature that
16 conflicts with the proper discharge of the member's or
17 employee's official duties.

18 § -15 Rules governing commingling of receipts

19 **restricted.** The board shall not adopt any rule relating to the
20 commingling of bingo and raffle receipts unless the board can
21 clearly establish that commingling will occur without the rule
22 and that the rule will effectively prevent commingling. The



1 board shall set forth any such finding in its proposed rule. If
2 upon review, a court finds that the finding of fact upon which
3 any rule relating to commingling is based is unsupported by
4 clear and convincing evidence, the rule shall be invalid.

5 **PART III. LICENSING**

6 § -21 **License to conduct bingo or raffles.** (a) Any
7 bona fide religious, charitable, service, fraternal, or
8 veterans' organization, or any tax-exempt organization under the
9 Internal Revenue Code of 1986, as amended, may apply to the
10 board for a license to conduct bingo or raffles.

11 (b) Prior to applying for a license, an organization
12 listed under subsection (a) shall:

- 13 (1) Be incorporated in this State as a nonprofit
14 corporation or organized in this State as a religious
15 or nonprofit organization;
- 16 (2) Have at least fifteen members in good standing;
- 17 (3) Conduct activities within this State in addition to
18 the conduct of bingo or raffles;
- 19 (4) Be authorized by its constitution, articles, charter,
20 or bylaws to further in this State a lawful purpose;



1 (5) Operate without profit to its members, and no part of
2 the net earnings of the organization shall inure to
3 the benefit of any private shareholder or individual;

4 (6) Have been in existence for five years immediately
5 preceding its application for a license, and shall
6 have had during that five-year period a bona fide
7 membership actively engaged in furthering a lawful
8 purpose; and

9 (7) Have received and used and shall continue to receive
10 and use, for a lawful purpose, funds derived from
11 sources other than from the conduct of bingo or
12 raffles.

13 § -22 **Bingo or raffle license application.** Each
14 applicant for a license to conduct bingo or raffles shall file
15 with the board an application on a form prescribed by the board.
16 The application shall include:

- 17 (1) The name and address of the applicant;
- 18 (2) Sufficient facts relating to the incorporation or
19 organization of the applicant to enable the board to
20 determine if the applicant is eligible for a license
21 under this part;



- 1 (3) The name and address of each officer of the applicant
2 organization;
- 3 (4) The place and date of each bingo or raffle occasion
4 proposed to be conducted during the effective period
5 of the license;
- 6 (5) The name and address of the owner of the premises in
7 which bingo or raffles will be conducted and the
8 approximate capacity of the premises;
- 9 (6) The name, date of birth, and address of each
10 supervising member for each bingo or raffle occasion
11 who shall be a bona fide and active member of the
12 applicant organization and one or more of whom shall
13 be present and in immediate charge of and responsible
14 for the conduct of bingo or raffles at each bingo or
15 raffle occasion;
- 16 (7) The name of any licensed organization co-sponsoring
17 any bingo or raffle occasion;
- 18 (8) The name, address, date of birth, and years of
19 membership of a bona fide and active member of the
20 applicant organization who shall be responsible for
21 the proper use of the gross receipts derived from the
22 conduct of bingo or raffles;



1 (9) The specific purposes to which the profits from the
2 conduct of bingo or raffles are to be devoted; and

3 (10) Other information the board deems necessary to
4 administer this chapter.

5 § -23 **Affidavits, bond, and fees.** An application for a
6 license to conduct bingo or raffles shall be accompanied by:

7 (1) A sworn statement of each designated supervising
8 member that the member will be responsible for
9 compliance with this chapter and rules adopted under
10 this chapter for each bingo or raffle occasion
11 supervised by the member;

12 (2) A sworn statement by the member designated as
13 responsible for the proper use of gross receipts that
14 no commission, fee, rent, salary, profits,
15 compensation, reward, or recompense will be paid to
16 any person or organization and that all profits will
17 be spent for a lawful purpose or as provided under
18 section -32(b); and

19 (3) A \$10 license fee for each bingo or raffle occasion
20 proposed to be conducted; \$5 for an annual license for
21 each designated supervising member; and \$5 for an
22 annual license for each designated member responsible



1 for the proper use of gross receipts. The fees shall
2 be paid to the board, which shall deposit the fees in
3 the state treasury to the credit of the general fund.

4 § -24 **Department determinations.** Upon receipt of an
5 application for a license to conduct bingo or raffles, the
6 department shall investigate the qualifications of the applicant
7 and the merits of the application and, before issuing a license,
8 shall determine that:

- 9 (1) The applicant is eligible to be licensed to conduct
10 bingo or raffles under section -21;
- 11 (2) The supervising members and member responsible for the
12 proper use of gross receipts are bona fide and active
13 members of the applicant organization who have never
14 been convicted of a felony or, if convicted, have
15 received a pardon or have been released from parole or
16 probation for at least five years;
- 17 (3) The proposed bingo or raffle occasions will be
18 conducted in accordance with this chapter and the
19 rules adopted under this chapter;
- 20 (4) No commission, fee, rent, salary, profit,
21 compensation, reward, or recompense is or will be paid
22 or given to any person in connection with the holding,



1 operating, or conducting of any bingo or raffle
2 occasion, except that rent authorized under sections
3 -46 and -66 and expenditures authorized under
4 sections -32(b) and -52(b) may be paid;

5 (5) The premises in which a proposed bingo or raffle
6 occasion will be conducted are adequate and suitable
7 for the conduct of bingo or raffles and are owned by
8 the applicant, another licensed organization, or the
9 public, or are used by the applicant organization on a
10 regular basis for purposes other than bingo or raffles
11 and that no benefits of any kind are proposed to be
12 transferred as rent for the premises, except as
13 permitted under paragraph (4); and

14 (6) The profits from all bingo or raffle games conducted
15 by the applicant organization are proposed to be used
16 as provided under sections -32(b) and -52(b) or
17 for a lawful purpose that is a proper objective of the
18 applicant organization.

19 § -25 **Issuance of license to conduct bingo or raffles;**
20 **limited period bingo.** (a) Within sixty days after the filing
21 of an application for a license to conduct bingo or raffles, the
22 department, after making the determinations under section



1 -24, shall either notify the applicant organization in
2 writing why a license is not being issued or issue a license to
3 the applicant organization authorizing it to conduct bingo or
4 raffles at the times and places set forth in the license.
5 Except for limited period bingo, an applicant organization shall
6 not be authorized to conduct or co-sponsor more than twenty-six
7 bingo occasions in any year, or more than five bingo occasions
8 in any month. In addition, an applicant organization holding a
9 regular license may be issued one limited period bingo license
10 during the twelve-month period from the date of issuance or
11 renewal of that regular license. An applicant organization not
12 holding a regular bingo license may be issued two limited period
13 licenses within a twelve-month period. A license issued under
14 this subsection shall be effective for one year from the first
15 day of the month of the first occasion listed on the license and
16 may be renewed annually, except that an applicant organization
17 may request that the license expire on the first day of any
18 month within the one-year licensure period.

19 (b) The form of the license shall be prescribed by the
20 board and shall include:

21 (1) The name and address of the licensed organization;



1 (2) The name and address of each supervising member of the
2 licensee under whom each bingo or raffle occasion is
3 to be conducted;

4 (3) The place, date, and time at which each bingo or
5 raffle occasion is to be held;

6 (4) The specific purposes to which the profits of each
7 bingo or raffle occasion will be devoted; and

8 (5) Other information that the board deems necessary to
9 administer this chapter.

10 (c) Each license, and all amendments thereto, shall be
11 conspicuously displayed at the place where a bingo or raffle
12 occasion is conducted and at all times during the conduct
13 thereof so as to be easily readable by any patron of the bingo
14 or raffle occasion.

15 (d) Within ten days after the issuance of a license to
16 conduct bingo or raffles and at least five days prior to the
17 first bingo or raffle occasion each year as authorized by the
18 license, or amendments thereto, the department shall send
19 written notice of the issuance, or amendment, of the license to
20 the prosecuting attorney of the county in which any bingo or
21 raffle occasion is to be conducted. The notice shall indicate



1 the time, place, and sponsoring licensed organizations for each
2 authorized bingo or raffle occasion.

3 § -26 **Amendment of license to conduct bingo or raffles.**

4 Upon application by a licensed organization, a license may be
5 amended, if the subject matter of the amendment properly and
6 lawfully could have been included in the original license. An
7 application for an amendment to a license shall be filed and
8 processed in the same manner as an original application. An
9 application for the amendment of a license shall be accompanied
10 by a \$3 fee. If any application for amendment seeks approval of
11 additional bingo or raffle occasions or designates new
12 supervising members or a new member responsible for the proper
13 use of gross receipts, the appropriate fee under section -23
14 shall also be paid. If the department approves an application
15 for an amendment to a license, a copy of the amendment shall be
16 sent to the applicant, who shall attach the copy to the original
17 license.

18 § -27 **Denial of application; hearing.** If the department
19 denies a license to conduct bingo or raffles, within ten days
20 after receiving written notification of the denial, an applicant
21 may demand in writing a hearing before the board concerning the
22 applicant's qualifications and the merit of the application. At



1 the hearing, the burden of proof shall be on the applicant to
2 establish the applicant's eligibility for a license. If, after
3 the hearing, the board enters an order denying the application,
4 the order shall set forth in detail the reasons for the denial.
5 Upon entry of such an order or upon the expiration of the ten-
6 day period during which a hearing may be demanded, the
7 applicant's license fee shall be refunded, less reasonable
8 administrative costs. If the board approves the application,
9 the department shall issue the license within fourteen days
10 after approval.

11 § -28 **Suspension or revocation.** (a) Proceedings to
12 suspend or revoke a license to conduct bingo or raffles shall be
13 initiated by the board pursuant to chapter 91. The notice shall
14 state the alleged violations that constitute the grounds for the
15 proceedings. The department may temporarily suspend the license
16 for a period of thirty days while any proceedings are pending
17 and shall notify the licensee of the dates of the temporary
18 suspension.

19 (b) The department shall notify an officer or agent of the
20 licensee of the time and place of the hearing by registered
21 mail, return receipt requested, at least fifteen days before the
22 hearing.



1 (c) The board shall hold a hearing on a suspension or
2 proposed revocation as soon as practicable. The board shall
3 issue in writing its findings and decision on suspension or
4 revocation within thirty days after the hearing. A copy of the
5 findings and decision shall be sent immediately to the licensee.
6 If the board suspends or revokes the license, the licensee shall
7 be informed of the effective date of the suspension or
8 revocation. The board's decision under this section shall be
9 subject to judicial review pursuant to section 91-14.

10 (d) When a license is suspended or revoked by the board,
11 the licensee shall immediately surrender the license to the
12 board. A licensee whose license has been revoked may reapply
13 for a license one year after the effective date of the
14 revocation. If a license has been suspended under subsection
15 (c), the department shall reinstate the license at the end of
16 the period of suspension.

17 (e) A violation of any applicable law of this State or
18 rule adopted thereunder shall constitute grounds for suspension
19 or revocation.

20 **PART IV. CONDUCT OF BINGO**

21 § -31 **Restrictions on the conduct of bingo.** (a) Only a
22 person licensed under section -25 shall conduct bingo.



- 1 (b) Bingo shall be played only on premises that are:
- 2 (1) Owned by a licensed organization;
- 3 (2) Publicly owned;
- 4 (3) Owned by another licensed organization;
- 5 (4) Used regularly by the licensed organization for a
- 6 purpose other than bingo, except that a tent that has
- 7 been rented, borrowed, or donated may be used at a
- 8 limited period bingo occasion; or
- 9 (5) Made available without charge.

10 (c) Not more than fifty-four occasions of regular bingo

11 may be played at any one building, tent, enclosure, or outdoor

12 area in any calendar year.

13 (d) Bingo may not be conducted at a place owned, operated,

14 or controlled by a person who has been convicted of having

15 operated a gambling place within the past five years.

16 (e) Except for limited period bingo, only persons who pay

17 for regular bingo cards may participate as players in a regular

18 or special bingo game.

19 (f) Purchase of a regular bingo card shall entitle each

20 player to a place with sufficient room in which to play.

21 (g) A licensed organization or its members or agents shall

22 accept only cash payment for any bingo card.



1 § -32 **Profits for lawful purposes or organization**

2 **benefit.** (a) Except as provided under subsection (b), the
3 profits from any bingo game shall be devoted exclusively to a
4 lawful purpose of the licensed organization.

5 (b) No more than fifteen per cent of the profits from any
6 bingo game may be used for the advancement, improvement, or
7 benefit of the licensed organization that conducts the bingo
8 game.

9 § -33 **Prizes; limitations and conditions.** (a) No prize
10 in a single bingo game shall exceed \$500. The aggregate value
11 of prizes at any bingo occasion may not exceed \$3,000, except by
12 the amount resulting from the awarding of minimum prizes under
13 section -43.

14 (b) No licensed organization shall award any prize
15 consisting of alcoholic or fermented malt beverages or an
16 interest in real estate or securities.

17 (c) No bonus or additional prizes shall be awarded on the
18 basis of either a specific arrangement of the numbers or type of
19 card required to win a game. No prize shall be determined on
20 the basis of a specified number of calls.

21 (d) If any merchandise prize is awarded in a bingo game,
22 its value shall be its current retail price. The current retail



1 price of merchandise prizes donated to a licensed organization
2 shall not be reported as an expenditure in its financial
3 statement of bingo operations. No merchandise prize shall be
4 redeemable or convertible into cash directly or indirectly by
5 the licensed organization.

6 (e) Each bingo winner shall be determined and every prize
7 shall be awarded and delivered on the same day on which the
8 bingo occasion is conducted.

9 § -34 **Management and operation of bingo.** (a) Only a
10 bona fide and active member of the licensed organization, a bona
11 fide and active member of the auxiliary of the licensed
12 organization or the parent organization, or the spouse of such a
13 member, may participate in the management or operation of a
14 bingo occasion.

15 (b) No person shall receive remuneration for participating
16 in the management or operation of any bingo game.

17 § -35 **Minimum age requirement.** No person under age
18 eighteen shall:

19 (1) Play any bingo game conducted by a licensed
20 organization, unless accompanied by that person's
21 parent, legal guardian, or spouse; or

22 (2) Conduct or assist in the conduct of bingo.



1 § -36 **Only certain expenses permitted.** No expense may
2 be incurred or amounts paid in connection with the conduct of
3 bingo by a licensed organization, except those reasonably and
4 necessarily expended for bingo supplies and equipment, including
5 blowers, flashboards, tables, chairs, public address systems,
6 bingo cards, markers, filing cabinets, and signs, and for
7 prizes, utilities, license fees and taxes, fees regularly
8 charged by the State or a county for use of a public premise,
9 printing of bingo forms and house rules, repairs to bingo
10 equipment, and rent authorized under section -46.

11 § -37 **Winners and prizes; same day.** Each bingo winner
12 shall be determined and every prize shall be awarded and
13 delivered on the same day on which the bingo occasion is
14 conducted.

15 § -38 **Bingo cards.** (a) Bingo cards shall be printed
16 only on one side.

17 (b) The licensed organization shall keep an accurate,
18 separate count of the number of regular bingo cards, extra
19 regular cards, and special bingo cards that are sold, rented, or
20 used. The information shall be available for inspection at the
21 close of the bingo occasion.



1 (c) Regular bingo cards, extra regular cards, and special
2 bingo cards shall each be assigned a specific price, and the
3 price shall remain the same during a bingo occasion. At any
4 time during a bingo occasion, a card may be changed at no
5 additional cost. Cards shall be sold or rented only on the
6 premises at which bingo is being conducted. A price list shall
7 be posted where the regular bingo cards are distributed, setting
8 forth the price of each type of card. Only the posted price may
9 be charged. The regular bingo cards and the extra regular cards
10 shall be readily distinguishable from each other.

11 § -39 Method of play. (a) The method of play in any
12 bingo game and the use of bingo supplies and equipment shall
13 afford each player an equal opportunity to win.

14 (b) The objects to be drawn shall be essentially the same
15 in size, color, shape, weight, balance, and all other
16 characteristics, so that at all times during the conduct of
17 bingo, each object possesses the capacity for equal agitation
18 with any other object within the receptacle.

19 (c) All seventy-five objects shall be present in the
20 receptacle at the beginning of each bingo game.

21 (d) The announcement of all numbers drawn shall be clearly
22 audible to the players present.



1 (e) When more than one room is used for any one bingo
2 game, the receptacle and caller and any assistant shall be in
3 the room where the greatest number of players are present, and
4 all numbers shall be announced in a manner clearly audible to
5 the players in each room.

6 (f) Once removed, no object shall be returned to the
7 receptacle until after the conclusion of the game.

8 (g) Immediately following the calling of each number in a
9 bingo game, the caller shall turn that portion of the object
10 that shows the number and letter to the players.

11 § -40 **Number arrangement announced; prizes announced and**
12 **posted.** The particular arrangement of numbers required to be
13 covered to win and the amount of the prize for each game shall
14 be clearly described and audibly announced to the players
15 immediately before each game. The amount of the prize for each
16 bingo game shall also be posted where the regular bingo cards
17 are distributed.

18 § -41 **Verification of winner.** (a) The numbers
19 appearing on the winning card at the time a winner is determined
20 shall be verified in the immediate presence of at least one
21 disinterested player.



1 (b) At the time a winner is determined, any player may
2 call for verification of all numbers and of the objects
3 remaining in the receptacle and not yet drawn. This
4 verification shall be made in the immediate presence of the
5 supervising member and at least one disinterested player.

6 § -42 **Limit on number of bingo games.** Except for
7 limited period bingo, no licensed organization shall conduct
8 more than thirty-five bingo games, including regular and special
9 games, on a single bingo occasion.

10 § -43 **More than one winner.** When more than one player
11 is found to be the winner on the call of the same number in the
12 same bingo game, a cash prize shall be divided equally among the
13 winners. The licensed organization may elect to round off the
14 prize to any amount between the next lower dollar and the next
15 higher dollar. Any licensed organization may elect to set a
16 minimum prize not exceeding \$10 for each winner. When equal
17 division of a merchandise prize is not possible, identical
18 substitute prizes whose aggregate retail value is approximately
19 equal to that of the designated prize may be awarded or a cash
20 prize equal to the retail value may be divided among the winners
21 as provided in this section.



1 § -44 **Persons prohibited from playing.** No licensed
2 organization shall permit any person who is conducting or
3 assisting in the conduct of bingo on a bingo occasion to
4 participate as a player on that occasion.

5 § -45 **Bingo caller.** No person may act as a caller in
6 the conduct of any game of bingo unless the person:

7 (1) Has been a member in good standing of the licensed
8 organization, the auxiliary of the licensed
9 organization or the parent organization, or a member
10 of the local unit of the religious organization that
11 the licensed organization is a member of for at least
12 one year immediately preceding the date of the game or
13 is the spouse of such a member; and

14 (2) Has never been convicted of a felony or, if convicted,
15 has been pardoned or released from probation or parole
16 for at least five years.

17 § -46 **Rent.** Except as provided under section -32, a
18 licensed organization may incur and pay rent in connection with
19 the conduct of bingo only:

20 (1) If for a tent rented for use at a limited bingo
21 occasion and the rent incurred and paid is reasonable;
22 or



1 (2) If it does not rent from itself, and the rent is for
2 premises used for a bingo occasion and does not exceed
3 an amount equal to ten per cent of the aggregate value
4 of prizes offered at the bingo occasion.

5 § -47 **Limited period bingo.** (a) No person licensed to
6 conduct limited period bingo shall conduct more than sixty games
7 of limited period bingo on a single bingo occasion. Limited
8 period bingo may be conducted on two bingo occasions in a single
9 day.

10 (b) No admission fee shall be charged to play limited
11 period bingo.

12 (c) All other provisions in this chapter relating to
13 regular bingo games shall apply to limited period bingo except
14 as otherwise provided.

15 § -48 **Special bingo games.** In addition to provisions in
16 this chapter relating to regular bingo games, the following
17 provisions shall apply to special bingo games:

18 (1) All special bingo cards shall be in a form approved by
19 the board; and

20 (2) Each special bingo card shall be used for one game
21 only and shall be indelibly marked by the player while



1 in use so as to render it void and unusable
2 thereafter.

3 **PART V. CONDUCT OF RAFFLES**

4 § -51 **Restrictions on the conduct of raffles.** (a) Only
5 a person licensed under section -25 shall conduct raffle
6 drawings.

7 (b) Raffle drawings shall be played only on premises that
8 are:

- 9 (1) Owned by a licensed organization;
- 10 (2) Publicly owned;
- 11 (3) Owned by another licensed organization;
- 12 (4) Used regularly by the licensed organization for a
13 purpose other than raffle games; or
- 14 (5) Made available without charge.

15 (c) Not more than fifty-four occasions of regular raffle
16 may be played at any one building, tent, enclosure, or outdoor
17 area in any calendar year.

18 (d) Raffles may not be conducted at a place owned,
19 operated, or controlled by a person who has been convicted of
20 having operated a gambling place within the past five years.



1 (e) Only persons who pay for raffle tickets may
2 participate as players in a regular, monthly, or special raffle
3 drawing.

4 (f) Purchase of any raffle ticket shall entitle each
5 player to a place with sufficient room in which to play.

6 (g) A licensed organization or its members or agents shall
7 accept only cash payment for any raffle ticket.

8 § -52 Profits for lawful purposes or organization
9 benefit. (a) Except as provided under subsection (b), the
10 profits from any raffle drawing shall be devoted exclusively to
11 a lawful purpose of the licensed organization.

12 (b) No more than fifteen per cent of the profits from any
13 raffle drawing may be used for the advancement, improvement, or
14 benefit of the licensed organization that conducts the raffle
15 drawing.

16 § -53 Prizes; limitations and conditions. (a) No prize
17 in a single raffle drawing shall exceed \$500. The aggregate
18 value of prizes at any raffle occasion may not exceed \$3,000,
19 except by the amount resulting from the awarding of prizes under
20 section -63.



1 (b) No licensed organization shall award any prize
2 consisting of alcoholic or fermented malt beverages or an
3 interest in real estate or securities.

4 (c) No bonus or additional prizes shall be awarded on the
5 basis of either a specific arrangement of the numbers or type of
6 ticket required to win a drawing. No prize shall be determined
7 on the basis of a specified number of calls.

8 (d) If any merchandise prize is awarded in a raffle
9 drawing, its value shall be its current retail price. The
10 current retail price of merchandise prizes donated to a licensed
11 organization shall not be reported as an expenditure in its
12 financial statement of raffle operations. No merchandise prize
13 shall be redeemable or convertible into cash directly or
14 indirectly by the licensed organization.

15 § -54 Management and operation of raffles. (a) Only a
16 bona fide and active member of the licensed organization, a bona
17 fide and active member of the auxiliary of the licensed
18 organization or the parent organization, or the spouse of such a
19 member, may participate in the management or operation of a
20 raffle drawing.

21 (b) No person shall receive remuneration for participating
22 in the management or operation of any raffle drawing.



1 § **-55 Minimum age requirement.** No person under age
2 eighteen shall:

3 (1) Play in any raffle drawing conducted by a licensed
4 organization, unless accompanied by that person's
5 parent, legal guardian, or spouse; or

6 (2) Conduct or assist in the conduct of a raffle drawing.

7 § **-56 Only certain expenses permitted.** No expense may
8 be incurred or amounts paid in connection with the conduct of
9 raffles by a licensed organization, except those reasonably and
10 necessarily expended for raffle supplies and equipment,
11 including tables, chairs, public address systems, raffle
12 tickets, markers, filing cabinets, and signs, and for prizes,
13 utilities, license fees and taxes, fees regularly charged by the
14 State or a county for use of a public premise, printing of
15 raffle forms and house rules, repairs to raffle equipment, and
16 rent authorized under section -66.

17 § **-57 Winners and prizes; same day.** Each raffle drawing
18 winner shall be determined and every prize shall be awarded and
19 delivered on the same day on which the raffle drawing is
20 conducted.

21 § **-58 Tickets; drawings.** (a) All regular and monthly
22 raffle tickets shall be identical in form and include:



- 1 (1) The number of the license issued by the board;
- 2 (2) The name and address of the sponsoring organization;
- 3 (3) The price of the ticket;
- 4 (4) A place for the purchaser to enter the purchaser's
- 5 name and address;
- 6 (5) The date and place of the drawing; and
- 7 (6) A list of each prize to be awarded that has a retail
- 8 value of \$500.
- 9 (b) No raffle ticket may exceed \$10 in cost.
- 10 (c) No person may sell raffle tickets unless authorized by
- 11 an organization licensed under this part.
- 12 (d) Tickets for a proposed regular raffle may not be
- 13 offered for sale more than one hundred eighty days preceding the
- 14 raffle drawing. Tickets for a proposed monthly raffle may not
- 15 be offered for sale more than thirty-one days preceding the
- 16 raffle drawing.
- 17 (e) All raffle drawings shall be held in public.
- 18 (f) All prizes shall be awarded. The purchaser of a ticket
- 19 need not be present at the drawing to win a prize.
- 20 (g) If a raffle drawing is canceled, the organization
- 21 shall refund the receipts to the ticket purchasers.



1 § -59 **Method of play.** (a) The method of play in any
2 raffle drawing and the use of raffle supplies and equipment
3 shall afford each player an equal opportunity to win.

4 (b) The tickets to be drawn shall be essentially the same
5 in size, color, shape, weight, balance, and all other
6 characteristics, so that at all times during the drawing each
7 ticket possesses the capacity for equal agitation with any other
8 ticket within the receptacle.

9 (c) All tickets shall be present in the receptacle at the
10 beginning of each raffle drawing.

11 (d) The announcement of all numbers drawn shall be clearly
12 audible to the players present.

13 (e) When more than one room is used for any single raffle
14 drawing, the receptacle and caller and any assistant shall be in
15 the room where the greatest number of players are present, and
16 all numbers shall be announced in a manner clearly audible to
17 the players in each room.

18 (f) Once removed, no object shall be returned to the
19 receptacle until after the conclusion of the game.

20 (g) Immediately following the calling of each number in a
21 raffle drawing, the caller shall turn that portion of the raffle
22 ticket that shows the number to the players.



1 § -60 **Prizes announced and posted.** The particular prize
2 and the amount of the prize for each drawing shall be clearly
3 described and audibly announced to the players immediately
4 before each drawing. The amount of the prize for each raffle
5 drawing shall also be posted where the regular raffle tickets
6 are distributed.

7 § -61 **Verification of winner.** (a) The numbers called
8 at the time a winner is determined shall be verified in the
9 immediate presence of at least one disinterested person.

10 (b) At the time a winner is determined, any player may
11 call for verification of all numbers and of the tickets
12 remaining in the receptacle and not yet drawn. This
13 verification shall be made in the immediate presence of the
14 supervising member and at least one disinterested person.

15 § -62 **Limit on number of raffle drawings.** No licensed
16 organization shall conduct more than thirty-five raffle
17 drawings, including regular and special drawings, on a single
18 raffle occasion.

19 § -63 **More than one winner.** Through error, if more than
20 one player is found to be the winner on the call of the same
21 number in the same raffle drawing, a cash prize shall be divided
22 equally among the winners. The licensed organization may elect



1 to round off the prize to any amount between the next lower
2 dollar and the next higher dollar. Any licensed organization
3 may elect to set a minimum prize not exceeding \$ for each
4 winner. When equal division of a merchandise prize is not
5 possible, identical substitute prizes whose aggregate retail
6 value is approximately equal to that of the designated prize may
7 be awarded or a cash prize equal to the retail value may be
8 divided among the winners as provided in this section.

9 § -64 **Persons prohibited from playing.** No licensed
10 organization shall permit any person who is conducting or
11 assisting in the conduct of raffle drawings to participate as a
12 player on that occasion.

13 § -65 **Raffle caller.** No person may act as a caller in
14 the conduct of any raffle drawing unless the person:

15 (1) Has been a member in good standing of the licensed
16 organization, the auxiliary of the licensed
17 organization or the parent organization, or a member
18 of the local unit of the religious organization that
19 the licensed organization is a member of for at least
20 one year immediately preceding the date of the game or
21 is the spouse of such a member; and



1 (2) Has never been convicted of a felony or, if convicted,
2 has been pardoned or released from probation or parole
3 for at least five years.

4 § -66 **Rent.** Except as provided under section -52, a
5 licensed organization may incur and pay rent in connection with
6 the conduct of raffles only:

7 (1) If for a tent rented for use at a raffle drawing and
8 the rent incurred and paid is reasonable; or

9 (2) If it does not rent from itself, and the rent is for
10 premises used for a raffle occasion and does not
11 exceed an amount equal to ten per cent of the
12 aggregate value of prizes offered at the raffle
13 occasion.

14 § -67 **Special raffle drawings.** In addition to
15 provisions in this chapter relating to regular raffle drawings,
16 the following provisions shall apply to special raffle drawings:

17 (1) All special raffle tickets shall be in a form approved
18 by the board; and

19 (2) Each special raffle ticket shall be used for one
20 drawing only and shall be indelibly marked by the
21 player while in use so as to render it void and
22 unusable thereafter.



1 § -68 **Records.** Each organization licensed to conduct
2 raffles shall maintain a list of the names and addresses of all
3 persons winning prizes with a retail value of \$100 or more, and
4 the prizes won, during the preceding calendar year. The list
5 shall be available at reasonable times for public examination
6 and shall be provided to the department upon request.

7 **PART VI. REPORTS AND FINANCIAL STATEMENTS**

8 § -71 **Report of bingo or raffle operations.** (a) Within
9 fifteen days after the conclusion of each bingo or raffle
10 occasion, each licensed organization shall execute and file a
11 report of bingo or raffle operations on a form prescribed by the
12 board. The licensed organization shall retain a copy of the
13 report for its permanent records. The report shall include:

- 14 (1) The name and address of each supervising member and
15 each member responsible for the proper use of gross
16 receipts;
- 17 (2) The date, hour, and address of the bingo or raffle
18 occasion;
- 19 (3) The number of games played;
- 20 (4) An itemized statement of the gross receipts from the
21 bingo or raffle occasion, including gross receipts
22 from sales of regular raffle tickets, special raffle



1 tickets, monthly raffle tickets, regular bingo cards,
2 extra regular cards, special game cards, and sale of
3 supplies;

4 (5) An itemized statement of expenditures, including
5 amounts paid for prizes, bingo or raffle supplies and
6 equipment, license fees, and other expenses;

7 (6) An itemized statement of expenditures, if any, made by
8 the licensed organization under section -32(b) or
9 -52(b);

10 (7) A statement showing the balance in the licensed
11 organization's bingo or raffle account and bingo or
12 raffle savings accounts and other deposits into or
13 adjustments in the accounts since the last filing
14 date; and

15 (8) The name of the depository and the title and number of
16 the account.

17 (b) The report shall be signed by the member responsible
18 for the proper use of gross receipts for the bingo or raffle
19 occasion.

20 (c) If no bingo games or raffle drawings are held on a
21 date when a license authorizes them to be held, a report to that
22 effect shall be filed with the board.



1 § -72 **Reports improperly filed.** (a) The department may
2 refuse to renew a license of an organization found to be
3 delinquent in filing its financial statement or found to have
4 filed an incomplete statement of bingo or raffle operations.

5 (b) If a licensed organization fails to file a financial
6 statement of bingo or raffle operations within five days after
7 notification by the department of the delinquency, the
8 department may suspend the license, pending the filing of the
9 financial statement.

10 (c) If the financial statement filed by a licensed
11 organization is not fully, accurately, and truthfully completed,
12 the department may refuse to renew a license or may suspend a
13 license until such time as a statement in proper form has been
14 filed.

15 § -73 **Unlawful purpose; reimbursement and waiver.** If a
16 financial audit of a licensed organization shows that bingo or
17 raffle funds were disbursed for a purpose that is not a lawful
18 purpose and the department requests that the licensed
19 organization reimburse the appropriate bingo or raffle account
20 in an amount equal to the amount so disbursed, the licensed
21 organization may appeal the request to the board. The board may
22 waive or reduce the amount of any reimbursement if the licensed



1 organization presents evidence satisfactory to the board that
2 the licensed organization acted in good faith and by mistake or
3 inadvertently in so disbursing the funds.

4 § -74 **Financial report to membership.** (a) At least
5 once a year, each licensed organization shall report the
6 following information in writing to its membership regarding the
7 bingo or raffle occasions that it has conducted:

- 8 (1) The number of bingo or raffle occasions conducted;
- 9 (2) The gross receipts;
- 10 (3) The amount of prizes paid;
- 11 (4) The net profit or loss;
- 12 (5) The disposition of profits;
- 13 (6) Any interest earned on profits deposited in interest-
14 bearing accounts; and
- 15 (7) A summary of expenses incurred.

16 (b) The information reported under subsection (a) shall be
17 incorporated into the minutes or records of each licensed
18 organization. If a licensed organization is an auxiliary or
19 affiliate of a parent organization, a copy of the written report
20 shall be filed with the executive officer of the parent
21 organization and incorporated into its minutes. A copy of the
22 financial report to the membership shall be mailed to the board



1 within sixty days after the close of an organization's annual
2 accounting period.

3 § -75 **Expenditure of bingo or raffle funds after**
4 **cessation of bingo or raffle conduct.** A licensed organization
5 that has ceased to conduct bingo or raffles for any reason and
6 has unexpended bingo or raffle funds shall disburse those funds
7 in any of the following ways:

8 (1) For a lawful purpose or as provided under section
9 -32(b) or -52(b) within one year after the
10 cessation of the conduct of bingo or raffles; or

11 (2) In accordance with a plan of expenditure approved in
12 advance by the board.

13 § -76 **Annual financial report.** (a) Any organization
14 that has conducted one or more bingo games or raffle drawings
15 during the preceding calendar year, on or before April 15 of the
16 current year, shall report the following information in writing
17 to the board regarding the bingo or raffle games that it has
18 conducted:

19 (1) The number and dates of bingo games or raffle drawings
20 conducted;

21 (2) The receipts;

22 (3) The amount of prizes paid;



1 (4) The net profit or loss; and

2 (5) Any other expenses paid.

3 (b) Any organization required to report to the board under
4 subsection (a) that had total receipts from the conduct of bingo
5 games or raffle drawings of more than \$50,000 during the
6 preceding calendar year shall include in its report a list of
7 the names and addresses of all persons winning prizes with a
8 retail value of \$100 or more, and the prizes won, during the
9 preceding calendar year.

10 (c) If a copy of the financial report is not filed or is
11 not fully, accurately, and truthfully completed, the department
12 may refuse to renew a license or may suspend a license until the
13 report in proper form has been filed.

14 **PART VII. ENFORCEMENT**

15 § -81 **Duties of the attorney general.** (a) Whenever the
16 attorney general files with a circuit court a statement that the
17 attorney general believes that a violation of this chapter has
18 occurred, the court shall issue a subpoena for any person
19 requested or named by the attorney general. Mileage and witness
20 fees need not be paid in advance, but only verified claims for
21 mileage and fees that are approved by the attorney general shall
22 be paid out of the state treasury.



1 (b) Testimony from persons subpoenaed under subsection (a)
 2 shall be taken by a stenographic reporter and transcribed and
 3 read to or by the witness and subscribed to by the witness,
 4 unless the parties represented stipulate upon the record that
 5 the reading of the transcript of the testimony to or by the
 6 witness and the witness' signature thereto are waived and that
 7 the transcript may be used with like force and effect as if read
 8 and subscribed by the witness. The attendance of the witness
 9 for the purpose of reading and subscribing to the transcript may
 10 be compelled in the same manner that the witness' attendance to
 11 be examined may be compelled.

12 § -82 **Violations a public nuisance.** A violation of this
 13 chapter constitutes a public nuisance and may be enjoined or
 14 abated in like manner as other public nuisances, irrespective of
 15 any criminal prosecution that may be or is commenced based upon
 16 the same acts.

17 § -83 **Inspection for enforcement.** A police officer or
 18 prosecuting attorney, within their respective jurisdictions, or
 19 an authorized employee of the department, at all reasonable
 20 hours, may enter the premises where a bingo game or raffle
 21 drawing is being conducted and examine the books, papers, and
 22 records of the licensed organization to determine if all proper



1 taxes or fees imposed have been paid. Any refusal to permit an
2 examination of the premises by the licensed organization, its
3 agent or an employee, or the person in charge of the premises to
4 which the bingo or raffle license relates, constitutes
5 sufficient grounds for the suspension or revocation of a
6 license, and is punishable under section -101(b). In
7 addition, the refusal constitutes sufficient grounds for any
8 police officer or other persons authorized under this section
9 within their respective jurisdictions or authority to employ
10 whatever reasonable action is necessary to conduct inspections
11 permitted by this section.

12 **PART VIII. GROSS RECEIPTS TAX**

13 § -91 **Tax on gross receipts.** All gross receipts of any
14 licensed organization that are derived from the conduct of bingo
15 or raffles shall be subject to chapter 237 and taxed as provided
16 in section 237-13(9).

17 **PART IX. PENALTIES**

18 § -101 **Penalties.** (a) Any person convicted of
19 violating section -31(a) or (b), -32, -33, -34,
20 -42, -51(a) or (b), -52, -53, -54, or -62
21 shall be guilty of a misdemeanor.



1 (b) Any person convicted of violating any other provision
2 of this chapter shall be guilty of a petty misdemeanor.

3 (c) The attorney general or the prosecuting attorney of
4 the county in which the violation occurs may commence an action
5 in the name of the State to recover a civil forfeiture to the
6 State of not more than \$50,000 for the violation of any law
7 described in subsection (a) and not more than \$10,000 for the
8 violation of any law described in subsection (b).

9 (d) The attorney general, the board, or the prosecuting
10 attorney of a county in which an actual or potential violation
11 occurs, after informing the attorney general, may commence an
12 action in the circuit court in the name of the State to restrain
13 any violation of this chapter. The court, prior to entry of
14 final judgment, may make such an order or judgment as necessary
15 to restore to any person any pecuniary loss suffered because of
16 the acts or practices involved in the violation; provided proof
17 thereof is submitted to the court. The attorney general may
18 subpoena persons, require the production of books and other
19 documents, and request the board to exercise its authority to
20 aid in the investigation of alleged violations of this section.



1 PART X. OTHER LAWS NOT APPLICABLE

2 § -121 Lawful activity. Any other state or county law,
3 ordinance, or rule, including chapter 712, providing any
4 penalty, disability, restriction, regulation, or prohibition for
5 the manufacture, transportation, storage, distribution,
6 advertising, possession, or sale of paraphernalia used for or in
7 connection with the operation of any bingo game or raffle
8 drawing shall not apply to the activities authorized under this
9 chapter. Part III of chapter 712 shall not apply to the
10 activities authorized under this chapter."

11 SECTION 2. Section 237-23, Hawaii Revised Statutes, is
12 amended by amending subsection (b) to read as follows:

13 "(b) The exemptions enumerated in subsection (a)(3) to (7)
14 shall apply only:

- 15 (1) To those persons who shall have registered with the
16 department of taxation by filing a written application
17 for registration in such form as the department shall
18 prescribe, shall have paid the registration fee of
19 \$20, and shall have had the exemption allowed by the
20 department or by a court or tribunal of competent
21 jurisdiction upon appeal from any assessment resulting
22 from disallowance of the exemption by the department;

1 (2) To activities from which no profit inures to the
 2 benefit of any private stockholder or individual,
 3 except for death or other benefits to the members of
 4 fraternal societies; and

5 (3) To the fraternal, religious, charitable, scientific,
 6 educational, communal, or social welfare activities of
 7 such persons, or to the activities of hospitals,
 8 infirmaries, sanitarium, and potable water companies,
 9 and not to any activity the primary purpose of which
 10 is to produce income even though the income is to be
 11 used for or in furtherance of the exempt activities of
 12 such persons. The exemption shall not apply to the
 13 conduct of bingo games or raffle drawings."

14 SECTION 3. Section 712-1220, Hawaii Revised Statutes, is
 15 amended to read as follows:

16 "**§712-1220 Definitions of terms in this part.** In this
 17 part unless a different meaning plainly is required, the
 18 following definitions apply.

19 [~~(1)~~] "Advance gambling activity". A person "advances
 20 gambling activity" if [he] the person engages in conduct that
 21 materially aids any form of gambling activity. Conduct of this
 22 nature includes but is not limited to conduct directed toward



1 the creation or establishment of the particular game, contest,
2 scheme, device, or activity involved, toward the acquisition or
3 maintenance of premises, paraphernalia, equipment, or apparatus
4 therefor, toward the solicitation or inducement of persons to
5 participate therein, toward the actual conduct of the playing
6 phases thereof, toward the arrangement of any of its financial
7 or recording phases, or toward any other phase of its operation.
8 A person advances gambling activity if, having substantial
9 proprietary control or other authoritative control over premises
10 being used with [~~his~~] the person's knowledge for purposes of
11 gambling activity, [~~he~~] the person permits that activity to
12 occur or continue or makes no effort to prevent its occurrence
13 or continuation. A person advances gambling activity if [~~he~~]
14 the person plays or participates in any form of gambling
15 activity.

16 [~~(2)~~] "Bookmaking" means advancing gambling activity by
17 accepting bets from members of the public upon the outcomes of
18 future contingent events.

19 [~~(3)~~] "Contest of chance" means any contest, game, gaming
20 scheme, or gaming device in which the outcome depends in a
21 material degree upon an element of chance, notwithstanding that
22 skill of the contestants may also be a factor therein.



1 ~~[(4)]~~ "Gambling". A person engages in gambling if ~~[he]~~
2 the person stakes or risks something of value upon the outcome
3 of a contest of chance or a future contingent event not under
4 ~~[his]~~ the person's control or influence, upon an agreement or
5 understanding that ~~[he]~~ the person or someone else will receive
6 something of value in the event of a certain outcome. Gambling
7 does not include bona fide business transactions valid under the
8 law of contracts, including but not limited to contracts for the
9 purchase or sale at a future date of securities or commodities,
10 and agreements to compensate for loss caused by the happening of
11 chance, including but not limited to contracts of indemnity or
12 guaranty and life, health, or accident insurance. Gambling does
13 not include the conduct of bingo or raffles licensed under
14 chapter .

15 ~~[(5)]~~ "Gambling device" means any device, machine,
16 paraphernalia, or equipment that is used or usable in the
17 playing phases of any gambling activity, whether that activity
18 consists of gambling between persons or gambling by a person
19 involving the playing of a machine. However, lottery tickets
20 and other items used in the playing phases of lottery schemes
21 are not gambling devices within this definition.

22 ~~[(6)]~~ "Lottery" means a gambling scheme in which:



1 (a) The players pay or agree to pay something of value for
2 chances, represented and differentiated by numbers or
3 by combinations of numbers or by some other medium,
4 one or more of which chances are to be designated the
5 winning ones; and

6 (b) The winning chances are to be determined by a drawing
7 or by some other method based on an element of chance;
8 and

9 (c) The holders of the winning chances are to receive
10 something of value.

11 [~~7~~] "Mutuel" means a form of lottery in which the
12 winning chances or plays are not determined upon the basis of a
13 drawing or other act on the part of persons conducting or
14 connected with the scheme, but upon the basis of the outcome or
15 outcomes of a future contingent event or events otherwise
16 unrelated to the particular scheme.

17 [~~8~~] "Player" means a person who engages in gambling
18 solely as a contestant or bettor.

19 [~~9~~] "Profit from gambling activity". A person "profits
20 from gambling activity" if [~~he~~] the person accepts or receives
21 money or other property pursuant to an agreement or
22 understanding with any other person whereby [~~he~~] the person



1 participates or is to participate in the proceeds of gambling
2 activity.

3 ~~[(10)]~~ "Social gambling" is defined in section 712-1231.

4 ~~[(11)]~~ "Something of value" means any money or property,
5 any token, object, or article exchangeable for money or
6 property, or any form of credit or promise directly or
7 indirectly contemplating transfer of money or property or of any
8 interest therein, or involving extension of a service or
9 entertainment."

10 SECTION 4. Statutory material to be repealed is bracketed
11 and stricken. New statutory material is underscored.

12 SECTION 5. This Act shall take effect upon its approval.
13

INTRODUCED BY: Mele Carroll
Robert Henshaw
[Signature]
Andy Evans

JAN 24 2013



H.B. NO. 1334

Report Title:

Gaming; Bingo; Raffles

Description:

Establishes requirements for the conduct of bingo games and raffle drawings by licensed nonprofit and religious organizations. Expressly exempts authorized bingo game and raffle drawing activities from the gambling laws.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

