A BILL FOR AN ACT

RELATING TO GAMING.

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

- 1 SECTION 1. The legislature finds that Americans illegally
- 2 wagered approximately \$150 billion on sporting events in 2017.
- 3 With access to the internet now ubiquitous, residents even in
- 4 remote states such as Hawaii have been able to win money and
- 5 items of value on sporting events and other outcomes in spite of
- 6 legal prohibitions. Tens of thousands of Hawaii residents are
- 7 estimated to participate in illegal internet gaming on
- 8 unregulated online platforms, raising questions about whether
- 9 these games are fair for Hawaii residents.
- 10 In 2018, the United States Supreme Court struck down a
- 11 federal law that prohibited online sports gaming, enabling each
- 12 state to choose whether or not to regulate such practices. The
- 13 proliferation of easy online access and changing technology has
- 14 enabled the rapid growth of numerous forms and outlets for
- 15 online gaming, which, together with this Supreme Court decision,
- 16 reinforce the need for the State to carefully evaluate the
- 17 negative outcomes of online gaming, including criminal,



- 1 financial, and psychological impacts on local families and
- 2 communities. In addition to an evaluation of the negative
- 3 outcomes, the potential benefits of online gaming must also be
- 4 considered, including support for the local economy, revenue,
- 5 and entertainment. A task force evaluation of positive and
- 6 negative outcomes associated with online gaming will help the
- 7 State determine the best path forward in regard to modern
- 8 gaming, and whether the State's gaming laws are outdated and
- 9 need to be updated to properly address online gaming in the
- 10 digital age.
- 11 The purpose of this Act is to create an online gaming task
- 12 force to examine and recommend policy issues on the benefits and
- 13 harms of online gaming.
- 14 SECTION 2. (a) There is established an online gaming task
- 15 force to examine and make recommendations on policy issues
- 16 regarding the benefits and harms of online gaming.
- 17 (b) The task force shall consist of the following members,
- 18 or their designee:
- 19 (1) The chairs of the house standing committee on
- 20 judiciary and the senate standing committee on

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- judiciary, who shall serve as co-chairs of the working group;
- 3 (2) The attorney general;
- 4 (3) The director of health;
- 5 (4) The superintendent of education; and
- **6** (5) The president and chief executive officer of the
- 7 Hawaii tourism authority.
- 8 (c) The chairs of the task force may invite other
- 9 interested parties to join the task force.
- 10 (d) The legislative reference bureau shall assist the task
- 11 force with its reports to the legislature and prepare any
- 12 proposed legislation.
- 13 (e) The task force shall submit a report on the status of
- 14 it progress, including its findings and recommendations, and any
- 15 proposed legislation, to the legislature no later than twenty
- 16 days prior to the convening of each regular session in 2020,
- 17 2021, and 2022.
- 18 (f) The working group shall be dissolved on June 30, 2022.
- 19 SECTION 3. This Act shall take effect on July 1, 2019.

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Report Title:

Sports Wagering; Task Force

Description:

Establishes a task force to examine and make recommendations on policy issues regarding the benefits and harms of online gaming. (HB1107 HD1)

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