



## DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of  
**MIKE MCCARTNEY**  
Director  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT**

Tuesday, March 23, 2021  
10:15 AM  
State Capitol, Conference Room 312

In consideration of  
**HCR 134/ HR 114**  
**REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT,  
AND TOURISM TO COMMISSION THE DEVELOPMENT OF EVIDENCE-BASED  
RESEARCH AND A POLICY FRAMEWORK TO GUIDE DECISION-MAKING ON  
GAMBLING-RELATED ISSUES.**

Chair Quinlan, Vice Chair Holt, and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) provides comments on HCR0134, which requests that DBEDT commission the development of evidence-based research and a policy framework to guide decision-making on gambling-related issues.

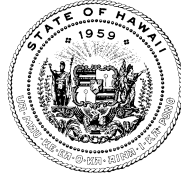
DBEDT appreciates the intent of this resolution and would like to offer the following comments. Gambling has long been the subject of the legislature and, in 2021, there were 6 different gambling-related bills. There were a number of testimonies received for SB 1321 Relating to Gaming, which provided detailed information and facts regarding the various positions. Of these, 84.2% of the testimonies were in opposition of the bill, 13% in support, and 2.8% provided comments.

DBEDT would like to note the following points: (1) The primary issue in legalizing gambling is the social impact rather than economic impact; (2) DBEDT does not have the expertise in this area; (3) A research project to fulfill the requirements of this resolution would require at least \$250,000; (4) DBEDT does not have the resources to hire consultants to conduct the study, which would involve a survey of Hawaii's residents, government agencies, and operators of gaming facilities on the U.S. mainland.

Thank you for the opportunity to testify.

DAVID Y. IGE  
GOVERNOR  
STATE OF HAWAII

JOSH GREEN  
LT. GOVERNOR  
STATE OF HAWAII



WILLIAM J. AILA, JR.  
CHAIRMAN  
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES  
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII  
DEPARTMENT OF HAWAIIAN HOME LANDS**

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TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN  
HAWAIIAN HOMES COMMISSION  
BEFORE THE HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT  
HEARING ON MARCH 23, 2021 AT 10:15AM VIA VIDEOCONFERENCE

**HCR 134/HR 114 REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC  
DEVELOPMENT, AND TOURISM TO COMMISSION THE DEVELOPMENT OF  
EVIDENCE-BASED RESEARCH AND A POLICY FRAMEWORK TO GUIDE  
DECISION-MAKING ON GAMBLING-RELATED ISSUES**

March 23, 2021

Aloha Chair Quinlan, Vice Chair Holt, and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) supports these resolutions requesting the Department of Business, Economic Development, and Tourism to commission the development of evidence-based research and a policy framework to guide decision-making on gambling-related issues.

DHHL conducted three Beneficiary Consultations in January 2021 on proposed limited gaming legislation. One of the meetings focused on the Kapolei community while the other two, conducted virtually, reached a statewide beneficiary group. DHHL presented its Beneficiary Consultation Report on the Proposed Limited Gaming Legislation to the Hawaiian Homes Commission (HHC) on March 15, 2021 at its monthly meeting. The HHC accepted the Beneficiary Consultation Report as the official public record of beneficiary input and feedback relative to the legislative proposal and can be viewed here: <https://dhhl.hawaii.gov/wp-content/uploads/2021/03/G-1-Beneficiary-Consultation-Report.pdf>. DHHL analyzed beneficiary responses to find that there was no beneficiary consensus either in favor or against limited gaming.

One of the primary concerns raised by opponents to gaming is the increase in social ills, such as crime, poverty and addiction. While DHHL acknowledges these concerns, the scientific community and over thirty years of research and data on gaming offer Hawaii the means to both address these social ills and operate gaming responsibly. These resolutions can only help to summarize this evidence-based research and guide decision-making. While vulnerable communities in rural areas are often the focus of some reports to justify prohibiting gaming, we have instead learned that gaming is as equally powerful a tool in addressing many of the comorbidities that plague vulnerable communities. These approaches have instead empowered and offered economic independence for many indigenous communities across the country.

Thank you for your consideration of our testimony.