

DAVID Y. IGE  
GOVERNOR  
STATE OF HAWAII



WILLIAM J. AILA, JR.  
CHAIRMAN  
HAWAIIAN HOMES COMMISSION

JOSH GREEN  
LT. GOVERNOR  
STATE OF HAWAII

TYLER I. GOMES  
DEPUTY TO THE CHAIRMAN

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

P. O. BOX 1879  
HONOLULU, HAWAII 96805

**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 136/HR 116 REQUESTING THE DEPARTMENT OF HAWAIIAN HOME LANDS  
TO CONVENE A WORKING GROUP TO STUDY THE FEASIBILITY OF OPERATING  
CASINO GAMING FACILITIES ON COMMERCIALY ZONED LAND UNDER THE  
DEPARTMENTS JURISDICTION**

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 DHHL convene a working group to study the feasibility of operating casino gaming facilities on commercially zoned land under the Departments jurisdiction. The Hawaiian Homes Commission (HHC) approved a draft legislative proposal late last year that would allow limited casino gaming in the form of a single integrated resort property in Kapolei, Oahu. A similar version to the measure approved by the HHC was introduced in both the House and Senate, but was deferred from the 2021 Legislative session last month.

DHHL conducted three Beneficiary Consultations in January 2021. 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 HHC on March 15, 2021 at the Commission's 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 the legislative proposal. A summary is attached to this testimony. Based on this information, DHHL notes if appropriate if the resolutions should be amended to urge a pilot program.

As DHHL explained in its testimony to this Committee on HB359 that while the recent funding allocations from the legislature are historically high, there remains a gap between the annual \$20-\$30 million the State can afford to allocate to DHHL and the nearly \$200 million that DHHL and the HHC believe is necessary to carry out its duties. An integrated resort could provide reliable and consistent funding and generate new

jobs that extend far beyond service-industry occupations, including new positions that do not currently exist in Hawai'i in I.T. and computer science, accounting and auditing, investigations and enforcement, and executive level positions. Gaming jobs are generally higher paying – offering a solution to the State's growing number of kama'āina forced to leave the State and a pathway for those abroad to return home.

The State of Hawai'i is uniquely situated between large domestic and international markets and has a robust visitor industry infrastructure, more so than many markets across the country that already generate billions of dollars in revenue. While the Department acknowledges the many concerns of social ills associated with gaming, HCR 134/HR 114 appears to be better suited to address those issues.

Thank you for your consideration of our testimony.



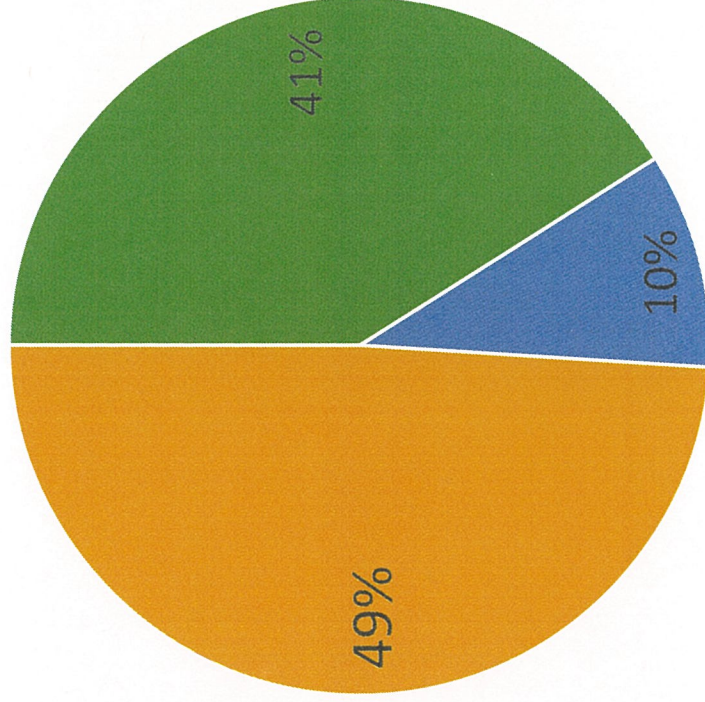


# Beneficiary Report: Proposed Limited Gaming

## 6. Beneficiary Consultation Results

### 49% Disagree with proposal:

- Increases social ills, such as crime, poverty and addiction
- Land should be used for homesteads
- Opens opportunity for other tribal casinos in Hawai'i
- Should of been given more time to consider the proposal
- Create other new industries or options (marijuana, lottery)



### 41% Agree with proposal:

- Increases community benefits, such as funding for education, programs and development
- Addresses DHHL waitlist
- Negative impacts are unfounded
- Need to try something new

### 10% Neither Agree nor Disagree with proposal