
A BILL FOR AN ACT

RELATING TO SPORTS BETTING.

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

1 PART I

2 SECTION 1. Section 712-1220, Hawaii Revised Statutes, is
3 amended by amending the definition of "gambling" to read as
4 follows:

5 ""Gambling". A person engages in gambling if [~~he~~] the
6 person stakes or risks something of value upon the outcome of a
7 contest of chance or a future contingent event not under [~~his~~]
8 the person's control or influence, upon an agreement or
9 understanding that [~~he or~~] someone [~~else~~] will receive something
10 of value in the event of a certain outcome. Gambling does not
11 include digital sports betting on a platform licensed pursuant
12 to state law. Gambling also does not include bona fide business
13 transactions valid under the law of contracts, including but not
14 limited to contracts for the purchase or sale at a future date
15 of securities or commodities, and agreements to compensate for
16 loss caused by the happening of chance, including but not



1 limited to contracts of indemnity or guaranty and life, health,
2 or accident insurance."

3 PART II

4 SECTION 2. (a) The department of business, economic
5 development, and tourism shall establish a pilot program to
6 license businesses in the State to operate digital sports
7 betting platforms.

8 (b) The sports betting pilot program shall operate as
9 follows:

10 (1) The department of business, economic development, and
11 tourism shall issue licenses to operate digital sports
12 betting platforms to no more than five businesses in
13 the State;

14 (2) Each licensing fee shall be \$30,000,000 for the
15 duration of the pilot program;

16 (3) Each licensee shall provide an annual report to the
17 department of business, economic development, and
18 tourism of all sports betting earnings and payouts;
19 and

20 (4) The department of business, economic development, and
21 tourism shall provide an annual report to the



1 department of taxation of the payout information for
2 all sports betting licensees.

3 (c) The department of business, economic development, and
4 tourism shall submit to the legislature a report on the status
5 of the sports betting pilot program, including any findings and
6 recommendations, and any proposed legislation, no later than
7 twenty days prior to the convening of the regular session of
8 2025.

9 (d) The pilot program shall cease to exist on June 30,
10 2028.

11 PART III

12 SECTION 3. Section 712-1220, Hawaii Revised Statutes, is
13 amended by amending the definition of "gambling" to read as
14 follows:

15 ""Gambling". A person engages in gambling if [~~he~~] the
16 person stakes or risks something of value upon the outcome of a
17 contest of chance or a future contingent event not under [~~his~~]
18 the person's control or influence, upon an agreement or
19 understanding that [~~he or~~] someone [~~else~~] will receive something
20 of value in the event of a certain outcome. Gambling does not
21 include bona fide business transactions valid under the law of



1 contracts, including but not limited to contracts for the
2 purchase or sale at a future date of securities or commodities,
3 and agreements to compensate for loss caused by the happening of
4 chance, including but not limited to contracts of indemnity or
5 guaranty and life, health, or accident insurance."

6 PART IV

7 SECTION 4. Statutory material to be repealed is bracketed
8 and stricken. New statutory material is underscored.

9 SECTION 5. This Act shall take effect upon its approval;
10 provided that:

- 11 (1) Parts I and II shall be repealed on June 30, 2028; and
12 (2) Part III shall take effect on July 1, 2028.

13

INTRODUCED BY: *CE* *AT*

JAN 19 2024



H.B. NO. 2114

Report Title:

DBEDT; Gambling; Digital Sports Betting; Pilot Program

Description:

Amends the definition of gambling to exclude digital sports betting on a platform licensed pursuant to state law. Requires the Department of Business, Economic Development, and Tourism, to develop a pilot program to license businesses in the State to operate digital sports betting platforms. Provides an amended definition of gambling to be enacted when the pilot program ceases to exist.

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