

Honolulu, Hawaii

MAR 03 2023

RE: S.B. No. 591

S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Second State Legislature  
Regular Session of 2023  
State of Hawaii

Sir:

Your Committee on Judiciary, to which was referred S.B. No. 591 entitled:

"A BILL FOR AN ACT RELATING TO GAMBLING,"

begs leave to report as follows:

The purpose and intent of this measure is to establish the operation of an illegal gambling business as a class C felony.

Your Committee received testimony in support of this measure from the Honolulu Police Department and two individuals. Your Committee received testimony in opposition to this measure from the Office of the Public Defender. Your Committee received comments on this measure from Pono Advocacy.

Your Committee finds that numerous studies have confirmed that gambling causes problems such as bankruptcy, theft, embezzlement, suicide, child abuse and neglect, divorce, incarceration, and homelessness. Studies have also demonstrated that gambling schemes are essentially regressive taxes on low-income people, those who can least afford to participate. This measure creates a clear definition of "illegal gambling businesses", establishes forfeiture procedures, and designates consequences.

Your Committee has amended this measure by:



- (1) Deleting language that, for the purposes of obtaining search warrants and arrest, would have allowed probable cause that a business received gross revenue in excess of \$2,000 in any single day to be deemed established when certain gambling business activities by five or more persons continues for two or more successive days;
- (2) Inserting an effective date of March 22, 2075, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 591, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 591, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committee on Judiciary,



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KARL RHOADS, Chair



