

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Judiciary & Hawaiian Affairs
February 12, 2025
2:00 PM

On the following measure:
H.B. 1308, H.D.1, RELATING TO Sports Wagering

Chair Tarnas and Members of the Committee:

My name is Nadine Ando, and I am the Director of the Department of Commerce and Consumer Affairs (Department). The Department opposes this bill.

The purpose of this bill is to: (1) allow for the regulation of sports wagering by the Department of Commerce and Consumer Affairs; (2) establish licensing requirements for sports wagering operators and sports wagering suppliers; and (3) specify that sports wagering and fantasy sports contests shall not be considered contests of chance or gambling.

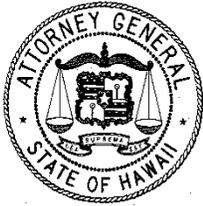
The Department's mission is to protect consumers, promote fair competition, and foster a healthy and vibrant business environment in Hawaii. While we are charged with overseeing a wide array of industries, the introduction of regulating sports wagering presents unique challenges that may conflict with our existing mandate. Therefore, the Department may not be suited to regulate this operation. Sports wagering, by its nature, carries inherent risks for consumers, including the potential for gambling addiction, financial hardship, and related social issues. While we recognize the intent to

address illegal gambling markets and generate tax revenue, we believe this bill raises substantial concerns that outweigh its potential benefits.

Finally, if the committee is inclined to move forward with this bill, the Department respectfully requests that prior to enactment, that the Committee refer this matter to the State Auditor for a sunrise analysis pursuant to Hawaii Revised Statutes (HRS) section 26H-6. The statute requires that the sunrise analysis set forth the probable effects of regulation, assess whether its enactment is consistent with the legislative policies of the Hawaii Regulatory Licensing Reform act, and assess alternative forms of regulation.

Therefore, the Department respectfully requests that this bill be deferred until a sunrise analysis on this measure is conducted by the Auditor.

Thank you for the opportunity to testify on this bill.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2025**

ON THE FOLLOWING MEASURE:

H.B. NO. 1308, H.D. 1, RELATING TO SPORTS WAGERING.

BEFORE THE:

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

DATE: Wednesday, February 12, 2025 **TIME:** 2:00 p.m.

LOCATION: State Capitol, Room 325

TESTIFIER(S): Anne E. Lopez, Attorney General, or
David L. Williams, Deputy Attorney General

Chair Tarnas and Members of the Committee:

The Department of the Attorney General (Department) opposes this bill.

This bill legalizes and regulates sports wagering by adding a new chapter to the Hawaii Revised Statutes (HRS), that allows for the regulation of sports wagering by the Department of Commerce and Consumer Affairs. It establishes licensing requirements for sports wagering operators and sports wagering suppliers. It excludes sports wagering and fantasy sports from current gambling laws by providing that sports wagering shall not be considered games of chance or gambling. It levies a ten percent tax on the adjusted gross sports wagering receipts.

The Department opposes this bill because it may lead to the well-studied public health and safety issues that come with legalized gambling. This bill allows for licensed and regulated sports wagering gambling operations, but provides only limited regulation and minimal punishment for those who engage in unlicensed sports wagering activity. The only prohibition is for conducting unlicensed sports wagering by operators and suppliers who are required to have licenses. Anyone else could participate in unlicensed sports wagering activity without consequences. The bill also allows for completely unregulated and unlicensed gambling in the fantasy sports context.

Studies have shown that legalized gambling results in adverse societal impacts, high costs to address those adverse impacts, and increases crime. For example, one article cites studies showing that states that have legalized sports gambling have seen

adverse financial and familial effects due to sports gambling, including an increase in domestic violence and an increase in household bankruptcy by twenty-five to thirty percent, especially in families from the most vulnerable economic households.¹ Another article cites studies that show that participation in sports gambling resulted not only in increased bankruptcy, but a decrease in credit scores and lower access to credit based on increased credit card debt in the more financially constrained households.²

Currently, Hawaii's gambling laws include a substantial exception for "social gambling" (under section 712-1231, Hawaii Revised Statutes (HRS)), which allows, for example, a typical "poker night" or Super Bowl "betting pool" at the home of a friend or family member. If conducted in this manner, "sports wagering" can already be enjoyed legally by Hawaii residents, and the Department has no concerns about such activity. Once gambling starts to involve large-scale operations, business corporations, or other money-making enterprises, however, the Department is extremely concerned about the known risks and societal costs associated with legalized gambling. Hawaii's laws currently list "gambling" within the definitions of "organized crime" and "racketeering," for good reason. Additionally, the Department believes that legalizing sports wagering and fantasy sports gambling will open the door to other forms of gambling.

If the Legislature decides to advance this bill, despite the Department's opposition, we recommend that it consider the following comments and concerns about specific provisions in this bill.

The penalty provisions in this bill are crafted in an unusual manner that may cause confusion. The new section -14, in the new chapter added by section 1 of the bill, at page 26, lines 10-21, includes three increasing penalty levels of imprisonment under subsections (a), (b), and (c) for unlicensed sports wagering. Subsection (a) proposes a term of imprisonment "of no more than ninety days", subsection (b) a term

¹ Lehman, Charles Fain, "Legalizing Sports Gambling Was a Huge Mistake." Available online at: <https://www.theatlantic.com/ideas/archive/2024/09/legal-sports-gambling-was-mistake/679925/>.

² Wile, Rob, "Sports Gambling Takes a Toll on Americans' Checkbooks, Research Shows." Available online at: <https://www.nbcnews.com/business/consumer/online-sports-gambling-bankrupting-households-reducing-savings-rcna167235>.

of imprisonment "of no more than six months", and subsection (c) a term of imprisonment of "no less than one year and no more than five years."

Apart from concerns about the low level of punishment proposed, which would have minimal deterrence to unlicensed activity, the Department is concerned that the proposed terms of imprisonment in subsections (a), (b), and (c), do not comport with the authorized terms of imprisonment in the penal code (section 706-663, HRS, establishes thirty days jail for petty misdemeanor offenses and up to one year jail for misdemeanor offenses; section 706-660, HRS, provides for five years prison for class C felony offenses).

To address these concerns, the Department suggests the following amended wording (or similar) to replace section -14:

- § -14 Unlicensed sports wagering; penalties.** (a) It shall be unlawful for any person to conduct sports wagering without a valid license required and issued pursuant to this chapter.
- (b) Any person convicted of violating this section for an offense and who:
- (1) Does not have any prior conviction under this section or under part III of chapter 712, shall be guilty of a misdemeanor; provided that in addition to any other penalties imposed, the person shall be subject to a fine of no less than _____;
 - (2) Has one prior conviction under this section or under part III of chapter 712, shall be guilty of a class C felony; provided that in addition to any other penalties imposed, the person shall be subject to a fine of no less than _____; and
 - (3) Has two or more prior convictions under this section or under part III of chapter 712, shall be guilty of a class B felony; provided that in addition to any other penalties imposed, the person shall be subject to a fine of no less than _____.

The Department is gravely concerned about the harmful impacts that legalization of gambling will have on our community and respectfully requests that this bill be held. Thank you for the opportunity to testify.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

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**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1308, H.D. 1, Relating to Sports Wagering.

BEFORE THE:

House Committee on Judiciary & Hawaiian Affairs

DATE: Wednesday, February 12, 2025

TIME: 2:00 p.m.

LOCATION: State Capitol, Room 325

Chair Tarnas, Vice-Chair Poepoe, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1308, H.D. 1, for your consideration.

H.B. 1308, H.D. 1, establishes a regulatory framework for sports wagering, along with licensing requirements for sports wagering operators and sports wagering suppliers.

Section 1 of the bill, beginning on page 24, line 9, imposes the general excise tax (GET) proposed under section 237-13(9), Hawaii Revised Statutes (HRS), on persons holding a license to engage in sports wagering as a sports wagering operator. This tax is imposed in lieu of all other taxes on the operation or proceeds of sports wagering in the state. An unspecified percent of these taxes collected are to be deposited into the "Problem Gambling Prevention and Treatment Special Fund" established under § -12 of the bill.

Section 2 of the bill amends section 237-13, HRS, to adopt the proposed subsection (9) imposing a tax on license sports wagering at a rate of 10 percent of the adjusted gross sports wagering receipts (AGSWR). AGSWR is defined in Section 1 of the bill (page 1, lines 8-12) as "gross sports wagering receipts less the total of all sums

actually paid out as winnings to patrons, including the monetary value of any merchandise or thing of value awarded as a prize and subject to federal income tax.”

Section 3 of the bill amends the definition of “gambling” in section 712-1220, HRS, to exempt sports wagering authorized under the proposed HRS chapter in section 1 of the bill. This removes these activities from constituting gambling offenses under HRS 712, Part III.

This measure has a defective effective date of July 1, 3000.

DOTAX notes that the new section ___-11, HRS, on page 24 of the bill, provides that the tax on sports wagering revenues will be enforced by the “department,” which is defined in the new section ___-1, HRS, on page 2 of the bill as the Department of Commerce and Consumer Affairs (DCCA). DOTAX recommends that this section be amended to clarify that enforcement of the general excise tax imposed on sports wagering will be administered by DOTAX.

DOTAX further notes that the provision on page 24, lines 19 to 21 and page 25, lines 6 to 8, which allocates a percentage of GET revenue from the sports wagering operator into the problem gambling prevention and treatment special fund, would require a fundamental change in the way that DOTAX accounts for and reports on GET revenues. This bill would create administrative difficulties, as DOTAX will need to reconcile the amounts reported from adjusted gross sports wagering receipts with the amounts collected. Discrepancies will arise because the amount of tax collected often does not match the amount of tax reported for various reasons, including errors in payment or reporting or intentional underpayment. Additionally, many taxpayers report multiple categories of business activities on a single GET return.

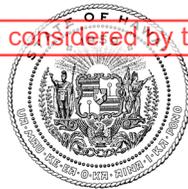
DOTAX therefore requests that the allocation of revenue to the special fund be replaced with an appropriation of a set dollar amount. In the alternative, if the Committee intends to maintain allocations of tax revenues from sports wagering into the special funds, DOTAX suggests that a separate tax be established on sports wagering by adding a new chapter to title 14, HRS. A separate tax would be less administratively burdensome for DOTAX and would avoid potential issues with processing and administering the GET.

Additionally, DOTAX recommends that the new section 237-13(9), HRS, on page 43, lines 14 to page 44, line 2, be amended to clarify whether the 10 percent rate will be imposed on any amounts received by sports wagering suppliers. Although section 237-13(9), HRS, states that the 10 percent tax is imposed on a “licensed sports wagering

operator or sports wagering supplier,” section 237-13(9) appears to limit the 10 percent rate to “adjusted gross sports wagering receipts.” A sports wagering supplier, however, would not be authorized to accept wagers (see page 4, lines 1 to 4), and would therefore not have adjusted gross sports wagering receipts.

DOTAX also requests the effective date be amended to January 1, 2027 for the adoption of administrative rules, forms, and instruction necessary for the implementation of the new proposed tax. This amendment would also enable to DOTAX to work with prospective sports wagering operators on ensuring compliance with the tax aspects of this measure.

Thank you for the opportunity to provide comments on this measure.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS
ON
HOUSE BILL NO. 1308, H.D. 1

February 12, 2025
2:00 p.m.
Room 325 and Videoconference

RELATING TO SPORTS WAGERING

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 1308, H.D. 1, adds a new chapter to the HRS to: 1) allow for lawful sports wagering under regulation of the Department of Commerce and Consumer Affairs (DCCA); 2) require DCCA to issue licenses to sports wagering operators and suppliers; 3) require DCCA to establish a voluntary exclusion program; and 4) establish the Problem Gambling Prevention and Treatment Special Fund (PGPTSF), which is to be administered by the Department of Health for the purposes of treating and supporting gambling disorders and receive an unspecified percentage of sports wagering taxes collected from licensed sports wagering operators. The bill also amends Section 237-13, HRS, to establish a 10% tax on gross sports wagering receipts for both licensed operators and suppliers; and amends Section 712-1220, HRS, to specify that sports wagering or fantasy sports contests shall not be considered games of chance or gambling.

B&F defers to the Department of Taxation (TAX) on the tax revenue projections of this bill and notes other State “sin” taxes are designed to generate sufficient general fund revenue to offset the State’s overall administrative costs to regulate harmful products and services. For reference, cigarette and liquor tax collections were respectively \$84,200,000 and \$51,600,000 for FY 24. Therefore, B&F recommends that the proposed sports wagering tax be set at a parity to, if not higher than, other “sin” taxes, with the portion of revenues deposited to the general fund at a sufficient level needed to support the intents of this bill in a self-sustaining manner. As currently written, it is unclear if the current proposed tax rate would generate sufficient revenues to regulate the sports wagering industry in Hawai‘i.

Finally, B&F notes this bill does not appropriate any expenditure ceiling for the proposed PGPTSF and defers to DCCA and TAX on the merits of this bill.

Thank you for your consideration of our comments.

OFFICE OF INFORMATION PRACTICES

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To: House Committee on Judiciary & Hawaiian Affairs

From: Carlotta Amerino, Director

Date: February 12, 2025, 2:00 p.m.
State Capitol, Conference Room 325

Re: Testimony on H.B. No. 1308, H.D. 1
Relating to Sports Wagering

Thank you for the opportunity to submit testimony on this bill, which would legalize sports wagering as authorized by the Department of Business, Economic Development, and Tourism (DBEDT). The Office of Information Practices (OIP) commented on and recommended an amendment to proposed subsection ___-3(e) in the original version of this bill. The Committee of Economic Development & Technology made OIP's recommended amendment in the H.D. 1 version of this bill and **OIP has no further concerns regarding this bill**. Thank you for considering OIP's testimony.

**DEPARTMENT OF THE PROSECUTING ATTORNEY
KA 'OIHANA O KA LOIO HO'OPI'I
CITY AND COUNTY OF HONOLULU**

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STEVEN S. ALM
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LOIO HO'OPI'I



THOMAS J. BRADY
FIRST DEPUTY PROSECUTING ATTORNEY
HOPE MUA LOIO HO'OPI'I

**THE HONORABLE DAVID A. TARNAS, CHAIR
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
Thirty-Third State Legislature
Regular Session of 2025
State of Hawai'i**

February 7, 2025

RE: H.B. 1308 H.D.1; RELATING TO SPORTS WAGERING.

Chair Tarnas, Vice-Chair Poepoe and members of the House Committee on Judiciary & Hawaiian Affairs, the Department of the Prosecuting Attorney of the City and County of Honolulu (“Department”) submits the following testimony in **strong opposition** of H.B. 1308 H.D. 1.

The purpose of H.B. 1308 H.D. 1 is to legalize sports wagering and have it regulated under the oversight of the Department of Commerce and Consumer Affairs. It establishes a ten percent tax on the adjusted gross sports wagering receipts. Given the serious public safety and wellness issues that inevitably accompany legalized gambling, the Department is strongly opposed to any legislative changes—such as this one—that would open the door to legalizing gambling in Hawai'i.

Currently, Hawai'i's gambling laws include a substantial exception for “social gambling” (see Section 712-1231, Hawaii Revised Statutes), which allow, for example, a typical “poker night” or Super Bowl “betting pool” at the home of a friend or family member. If conducted in this manner, “sports wagering” can already be enjoyed legally by Hawaii residents, and the Department has no problems with such activity. Once gambling starts to involve large-scale operations, business corporations or other money-making entities, however, the Department is extremely concerned about the known risks and societal costs associated with legalized gambling. Our laws currently list “gambling” within the definitions of “organized crime” and “racketeering” for good reason.

In a study conducted by Brett Hollenbeck, Poet Larsen, and Davide Proserpio¹, researchers examined the effects that legalized sports gambling had on communities after laws were enacted to allow sports wagering. This study found that "...the ease of access to sports

¹ The Financial Consequences of Legalized Sports Gambling; July 2024; https://bretthollenbeck.com/wp-content/uploads/2024/07/hollenbeck_sports_gambling.pdf

gambling is harming consumer financial health by increasing their level of debt." This study found that there was a 25-30% increase in likelihood of bankruptcy filings. The ease of access that S.B. 1569 offers will contribute to an exacerbation of gambling-related financial harm because citizens will be able to place bets "anytime and anywhere". This is in addition to an increase in auto loan delinquency, credit card delinquency, and collections. This is not a policy we want to promote when Hawai'i citizens already live in a place that has one of the highest cost of living.

A recent study conducted by the Rady School of Management found that "...legalization leads to more irresponsible gambling spending among lower-income consumers than among higher-income gamblers."² This study also found that,

"Of the more than 700,000 gamblers that we studied, 96% percent appeared to lose money to online gambling," Wilbur said. "Only 4% made money from online betting. That is by design. Online gambling platforms often ban or throttle frequent winners' accounts. There is no right to gamble."³

In addition to financial issues, legalized sports wagering increases intimate partner violence ("IPV"). Kyutaro Matsuzawa and Emily Arnesen found that "... when sports gambling is legalized, the effect of NFL home team upset losses on IPV increases by around 10 percentage points."⁴ Additionally, their study found that the effect is larger in states where there is mobile betting.

With so many issues facing our state, such as lack of affordable housing, homelessness, drug and alcohol addiction, we should be focused on addressing these real issues that impact our residents instead of bringing in legalized sports wagering and gambling that will exacerbate the problems already facing our community. Is the increase in tax revenue worth the negative impact on the lives of Hawai'i residents?

For all of the foregoing reasons, the Department of the Prosecuting Attorney of the City and County of Honolulu **strongly opposes** the passage of H.B. 1308 H.D. 1. Thank you for the opportunity to testify on this matter.

² Legalized Gambling Increases Irresponsible Betting Behavior, Especially Among Low-Income Populations; UC San Diego Today; July 23, 2024; <https://today.ucsd.edu/story/legalized-gambling-increases-irresponsible-betting-behavior-especially-among-low-income-populations>

³ See above.

⁴ Sports Betting Legalization Amplifies Emotional Cues & Intimate Partner Violence; Kyutaro Matsuzawa and Emily Arnesen; August 2024; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4938642



Submitted Online: Tuesday, February 11, 2025

TO: House Committee on Judiciary & Hawaiian Affairs
Representative David Tarnas, Chair
Representative Mahina Poepoe, Vice Chair

FROM: Eva Andrade, President

RE: Opposition to HB1308 HD1 Relating to Sports Wagering

Hawaii Family Forum stands in strong opposition to HB1308 HD1, which would legalize for-profit sports betting in Hawaii for the first time in our state's history. This bill represents a major cultural shift with significant consequences for families, individuals struggling with gambling addiction, and the broader common good.

The ease of 24/7 access to sports gambling through computers and smartphones would effectively place a virtual sportsbook in every home, dorm room, and workplace. This level of accessibility, combined with the addictive nature of gambling, is a dangerous mix—comparable to the explosion of online pornography addiction due to unrestricted access. Gambling addiction is linked to financial ruin, divorce, substance abuse, depression, and even suicide.

As an example, New Jersey legalized sports betting in 2018, and since then, the state's Council on Compulsive Gambling has seen a staggering 277% increase in calls to its problem gambling hotline—many from young adults, particularly young menⁱ. A government-commissioned study by Rutgers University found that 6% of New Jersey's population now suffers from high-risk problem gamblingⁱⁱ. The issue has become so severe that in 2024, the New Jersey governor established a special task force to address problem gambling. Why would Hawaii want to follow this same destructive path?

Sport, at its best, builds character. It teaches discipline, teamwork, and perseverance. It brings people together—regardless of background—creating moments of pure joy and shared excitement. But when sports gambling is commercialized, it strips away these noble aspects and turns the game into just another way to make money. Instead of inspiring athletes to push their limits for the love of the game, it turns them into commodities—tools for profit, often without their knowledge or consent.

For these reasons, Hawaii Family Forum urges you to vote NO on HB1308 HD1 and reject the creation of sports betting in our state – regardless of what you call it. Mahalo for your time and consideration.

ⁱ Brier, B. (2024, September 26). *Surge in problem gambling in NJ — And in calls for help*. NJ Spotlight News. Retrieved February 10, 2025, from <https://www.njspotlightnews.org/2024/09/problem-gambling-surges-in-new-jersey-more-young-men-call-helpline-sports-betting/>

ⁱⁱ Nower, L., Ph.D, Stanmyre, J. F., ABD, M.S.W, & Anthony, V. (. L., Ph.D (n.d.). *The Prevalence of Online and Land-Based Gambling in New Jersey*. Rutgers (Center for Gambling Studies). Retrieved February 10, 2025, from <https://www.njspotlightnews.org/2024/09/problem-gambling-surges-in-new-jersey-more-young-men-call-helpline-sports-betting/>



**Hawaii House
Committee on Judiciary and Hawaiian Affairs
Testimony in Support of HB 1308, HD1
February 12, 2025**

Dear Chair Tarnas, Vice Chair Poepoe, and Members of the House Committee on Judiciary and Hawaiian Affairs:

My name is Jeremy Limun, Director of Government Affairs, representing BetMGM, a top online sports betting company with active operations in 29 markets across North America. BetMGM appreciates the opportunity to provide testimony in support of HB 1308, HD1, and would also like to thank Representative Todd for introducing this important piece of legislation.

My colleague, Richard Taylor, Director of Responsible Gambling for BetMGM, has also submitted written testimony focused on the responsible gambling tools and resources we offer on our platform.

In my testimony, I would like to draw attention on the merits of HB 1308 as a consumer protection tool, in the face of a highly entrenched illegal and unregulated sports betting market that is pervasive and continues to flourish across all mediums – in person, over the Internet, and through sophisticated mobile applications – in states that have not legalized sports betting, including Hawaii. Indeed, top illegal offshore sports books like Stake and Bovada received about the same amount of traffic in the United States as legal operators, but most of that traffic is coming from states where sports betting is still illegal. Such unregulated online operators do not invest in, nor provide consumers, the rigorous responsible gambling tools and resources that Mr. Taylor’s testimony outlines.

Additionally, as operators like Stake and Bovada continue to capitalize on existing demand for sports betting and the lack of a legal, regulated alternative in non-legalized states, there is also a growing presence of online “social sports books and sweepstakes.” Readily available on major online stores for download, including in Hawaii, most of these illegal platforms are offshore with headquarters in Cyprus, Malta and Gibraltar; take advantage of legal loopholes around sweepstakes; and provide customers the ability to wager on sports. While advertised as “social sports books,” these platforms are anything but and run multi-million-dollar marketing campaigns, including through social media and celebrity influencers, that often target teens and young people.

This illicit industry in recent years has grown at an astonishing rate. More than a million Americans play each month, and the games drew nearly \$6 billion in player purchases, including \$1.9 billion in net revenue, in 2023. This year, the industry expects to see \$11.4 billion in player purchases and \$4 billion in net revenue.

Yet, despite their rapid proliferation the illegal online sports betting industry, including this latest crop of illegal online sweepstakes, is not subject to any state gross sports betting tax; does not

offer any meaningful responsible gambling tools; and does not employ sophisticated know-your-customer (KYC), identity- or age-verification processes – to the contrary, most of these platforms allow prospective customers to simply check a box and self-certify that they are of gambling age.

Hawaii now has a chance to fix this and today's hearing is an important first step in that direction. If adopted, HB 1308 would create a legal licensing framework for online sports betting subject to state taxation, consumer protection requirements, and regulation. HB 1308 would also create a new stream of revenue that would earmark a percentage of legal online sports betting tax proceeds specifically for problem gambling treatment programs and resources.

Again, thank you very much for this opportunity and I welcome any questions you may have on this important and timely topic.



**Hawaii House
Committee on Judiciary and Hawaiian Affairs
Testimony in Support of HB 1308, HD1
February 12, 2025**

Dear Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

Thank you for the opportunity to testify today. For the record, my name is Richard Taylor, I'm the Director of Responsible Gambling for BetMGM, a top online sports betting company with active operations in 29 jurisdictions. **I am here today on behalf of BetMGM to speak in support of HB 1308 and to our unwavering commitment to responsible online gambling in regulated markets.**

Today, billions of dollars are wagered annually on unregulated sites in Hawaii and elsewhere that are easily accessible to minors and lack responsible gambling protections. By legalizing online sports betting, Hawaii can provide a safer, regulated alternative, ensuring that consumers are protected while the state collects tax revenues from vetted gaming operators.

BetMGM understands and appreciates the concerns around legalized online sports betting and its impact on individuals who may be at risk of developing a gambling-related problem. The company shares these concerns, which is why we've built a responsible gambling program that goes beyond regulatory compliance standards and puts our patrons first through the responsible gambling resources and tools we provide. At BetMGM, we believe that responsible gambling is critical to ensuring business sustainability and success. I am very proud to share with you today just some of the efforts we've made over the years to embed responsible gambling within our culture.

Like other Sports Betting Alliance (SBA) operators, BetMGM has a dedicated responsible gambling team within Compliance whose duties and responsibilities are specifically dedicated to responsible gambling, including, but not limited to, ensuring the business's compliance with responsible gambling regulations, best practices of patron care, as well as patron account analysis and patron protection. These team members receive advanced internal and external training throughout the year to ensure they can provide patrons with the support and assistance they may require, including the account closure and self-exclusion process. The responsible gambling team is also charged with ensuring all BetMGM employees receive responsible gambling training on an annual basis, and employees who interact with patrons receive enhanced training on patron care. We understand that our ability to operate is a privilege and we take this privilege seriously.

Legal online sports betting operators use sophisticated licensed third-party age and identity verification services that resemble those used in the highly secure banking and financial services industries to ensure that all patrons are of legal age. All patrons must create an account and verify their age and identity using multiple factors. A password, facial ID, and/or multi-factor authentication is required for every log-in and after any brief period of inactivity while the app is open to prevent any unauthorized access. Third-party groups such as the National Council on

Problem Gambling have commended operators like BetMGM and the other members of the SBA for their commitment to ensuring that legal online sports betting is safe, secure, and for adults only.

BetMGM and the other operators of the SBA acknowledge that increased access to online wagering brings with it a heightened responsibility to mitigate risks associated with problematic play. We recognize that while advancements in technology have expanded opportunities for patrons to engage in entertainment, they also provide operators with unparalleled tools to ensure patrons have the information and resources they need to bet in a safe and sustainable way.

Let me outline the key elements of BetMGM's approach to responsible gambling:

1. Empowering Patrons with Tools and Resources

We firmly believe in empowering our patrons to make informed and healthy decisions about their gambling. In partnership with the British Columbia Lottery Corporation, BetMGM offers the award-winning and best-in-class responsible gambling program, GameSense, across all BetMGM markets. GameSense is an award-winning patron service-oriented responsible gambling program developed to help patrons understand how to keep gambling fun and provide support for patrons who need it. The program provides patrons of all levels with information on how different forms of gambling work, common odds of the games, how to use BetMGM's responsible gambling tools, and what patrons can do to ensure they are gambling responsibly. This educational responsible gambling webpage also provides information regarding problem gambling warning signs, how and where to get assistance, and information for family members of loved ones who may be experiencing problem gambling. BetMGM promotes GameSense throughout its platform, including within the BetMGM homepage's primary promotional carousel.

This information is accessible via our BetMGM platform and can be viewed by the public as well.

In addition to GameSense information, BetMGM offers a suite of responsible gambling tools, including:

- **Deposit, spending, wager and loss limits:** Users can set daily, weekly, or monthly caps.
- **Time reminders:** Notifications encourage patrons to take breaks after extended play periods.
- **Self-exclusion options:** Patrons can choose to temporarily or permanently exclude themselves from our platform. BetMGM also provides information regarding state self-exclusion programs, which is another method to help individuals cease gambling on licensed and regulated platforms.

These tools are not just offered passively. We actively promote their availability and encourage all users, whether they exhibit risk behaviors or not, to take advantage of them as part of a balanced gambling experience.

At BetMGM, transparency is a cornerstone of our operations. We provide users with detailed account histories, so they can review their wagering activity and stay in control.

2. Using Patron Activity to Inform Responsible Gambling

Legalized and regulated online platforms offer a unique advantage in understanding patron behavior. Unlike traditional gambling environments, digital platforms allow us to view activity such as deposits and withdrawals, betting history and preferences, and use of responsible gambling tools.

By leveraging this information, BetMGM can provide patrons with tailored interactions to ensure patrons are informed about the risks associated with gambling as well as BetMGM's responsible gambling information, tools, and resources. When concerning behaviors are identified, our dedicated responsible gambling team steps in to assess the situation and, if necessary, initiate an interaction.

3. Access to Resources

BetMGM is a strong supporter of problem gambling helplines and referral services, ensuring that users who may need external support have direct access to it. The problem gambling helpline is included within BetMGM's platform and its marketing and advertising.

In addition to providing those experiencing problem gambling with helpline and other problem gambling resource information, BetMGM is proud to partner with Kindbridge Behavioral Health, a telehealth company that provides treatment and services for those suffering from gambling problems. Kindbridge is staffed with licensed and certified mental health providers who specialize in treatment for gambling addiction. Through this program, BetMGM is providing BetMGM patrons who self-exclude, or whose accounts are closed for problem gambling reasons, a direct link to mental health intake and treatment for gambling addiction. The mental health intake and group services are provided at no cost to the patron via telehealth, which removes a significant barrier that has historically prevented people from receiving critical problem gambling care and treatment.

4. Continuous Education and Awareness

Education is critical to informed decision making and gambling harm prevention. BetMGM actively invests in campaigns designed to:

- Promote the principles of responsible gambling.
- Educate patrons about how gambling works, including the role of chance and the risks of chasing losses.
- Highlight the importance of maintaining a budget and understanding the odds.
- Encourage the use of BetMGM's responsible gambling tools to help patrons bet within their limits.

Last year, BetMGM debuted its first responsible gambling commercial starring NHL player Connor McDavid to promote awareness of our platform's responsible gambling tools. This commercial is currently airing on television throughout the U.S. as well as through BetMGM and Connor McDavid social media channels.

Further, last fall, BetMGM promoted GameSense in nine NFL stadiums throughout the regular season, and BetMGM also prominently promotes GameSense in its marketing and advertisements – ranging from billboards to television to print and radio ads.

In addition to responsible gambling specific messaging, BetMGM adheres to the American Gaming Association’s Responsible Marketing Code for Sports Wagering. This code sets industry standards for marketing only to those of legal age to wager, providing responsible gambling disclaimers in all marketing, and ensuring marketing is not misleading.

5. Collaborating with Experts and Advocates

BetMGM partners with leading organizations specializing in problem gambling research and support, such as the newly formed Responsible Online Gaming Association (“ROGA”), International Center for Responsible Gaming, National Council on Problem Gambling (NCPG), EPIC Global Solutions, and Kindbridge Behavioral Health. Through these collaborations, we:

- Train our patron support teams to recognize signs of distress and respond appropriately.
- Provide funding for research and community outreach programs.
- Ensure our policies are informed by the latest insights and best practices.
- Develop cross operator self-exclusion.
- Provide education and support to key community groups.

6. Transparency and Accountability

BetMGM’s Responsible Gambling Council, which is chaired by its Chief Executive Officer and consists of the heads of each department, is charged with ensuring responsible gambling is embedded into the company culture. The Council meets quarterly to provide strategic guidance and oversight in ensuring the company’s responsible gambling goals are developed and achieved.

The policies and practices I’ve referenced to you all today undergo regular third-party evaluations by the Responsible Gambling Council. The Responsible Gambling Council, not to be confused with BetMGM’s internal Council, is a responsible gambling research and expert consultancy based in Ontario, Canada.

Conclusion

Legalizing online sports betting in Hawaii represents an opportunity to balance economic growth with the protection of consumers who currently seek out platforms in the illegal market that lack effective age verifications and patron protections. At BetMGM, we are not only committed to meeting regulatory requirements but exceeding them by fostering a culture of responsibility and care. We view responsible gambling not as an obligation but as an integral part of our mission.

As policymakers, you play a vital role in shaping the framework within which we operate, and we thank the chair and the members of this House Judiciary Committee for your leadership on this issue. We urge you to continue advocating for policies that emphasize accountability, collaboration, and patron protection.

Thank you for the opportunity to testify today. I welcome any questions the committee may have.



Representative David A. Tarnas, Chair
Representative Mahina Poepoe, Vice Chair
House Committee on Judiciary & Hawaiian Affairs
Hawaii State Capitol
Honolulu, Hawaii 96813

Wednesday, February 12, 2025 – 2:00 p.m.
Conference Room 325 & Videoconference

RE: HB 1308 HD1 – Relating to Sports Wagering – Testimony in Opposition

Aloha Chair Tarnas, Vice Chair Poepoe and Members of the Committee:

Boyd Gaming appreciates the opportunity to provide written testimony in opposition to HB 1308 HD1, which would allow for the regulation of online sports wagering by the Department of Commerce and Consumer Affairs (DCCA).

Founded in 1975, Boyd Gaming is now a nationwide gaming company operating 28 casinos in 11 states, and has a presence in 19 distinct markets including our online presence in online gaming and sports wagering. Our perspective that we are sharing with you today has been shaped by 50 years of experience in the gaming industry, operating in all facets of gaming including brick-and-mortar casinos, sports wagering, online real money and social gaming, among others.

Our Company has strong ties to Hawai'i, as the state and its residents were a critical component of Boyd's foundational beginnings and continue to be an important part of the Company's success today. Boyd Gaming also owns and operates Vacations Hawaii, which has served over 1.5 million Hawai'i residents with convenient and affordable direct flights to Las Vegas since 1996. Vacations Hawaii is proud to be an established part of Hawai'i's local history, community and economy with employees based in both Hawai'i and in Las Vegas.

While sports wagering is an important component of an overall gaming policy framework, taken alone it is not a significant source of tax revenue and creates few jobs. Many other states in comparable sized markets to Hawai'i that have passed isolated sports wagering legislation have been disappointed in the outcome—tax revenues from online sports wagering are often less than anticipated, and the revenues are usually not sufficient to fund or sustain regulatory and enforcement oversight and a responsible gaming infrastructure, crucial components of any gaming framework.

With no underlying public policy objective, Boyd Gaming believes that HB 1308 HD1 is too limited, restrictive and premature. The State would be better suited toward public policy that can serve as a catalyst of economic activity, employment, investment, and tax revenue, tailored to Hawai'i's specific needs and accounting for its unique culture and distinct tourism infrastructure.

We prefer SB 891 SD1 which establishes a working group to study a comprehensive gaming framework. Boyd Gaming has submitted testimony and recommends including members of law enforcement, a responsible gaming expert, and other relevant parties with experience and expertise.

Boyd Gaming respectfully requests that the Committee defer this measure because of the reasons stated above. Thank you for the opportunity to testify on this measure.



Chair Tarnas, Vice-Chair Poepoe, and members of the House Committee on Judiciary and Hawaiian Affairs, thank you for your time today. My name is Rebecca London, Senior Government Affairs Manager for DraftKings, and I am here today to provide testimony on behalf of DraftKings in support of HB 1308, relating to sports betting. We appreciate the opportunity to participate in today's hearing—and additional conversations—to discuss the importance of Hawaii embracing a competitive, fully mobile sports wagering market.

DraftKings Inc. is a digital sports entertainment and gaming company with products that range across daily fantasy, regulated gaming and digital media. Headquartered in Boston, and launched in 2012, DraftKings is the only U.S.-based vertically integrated sports betting operator. DraftKings' Sportsbook is live with mobile and/or retail sports betting operations pursuant to a regulatory framework in 28 states, Washington D.C. and Ontario, Canada. DraftKings is committed to being a responsible steward of this new era in real-money gaming by developing and promoting education information and tools to help all players enjoy our games responsibly.

DraftKings supports a sports wagering framework in Hawaii that protects consumers, generates revenue for the state, and stamps out the pervasive illegal market.

It is important to recognize that sports wagering is already taking place in Hawaii, with an estimated hundreds of millions in illegal wagers each year.¹ Nearly all the sports wagers in Hawaii are placed online through websites in the robust illegal market, where sophisticated illegal operators capitalize on the popularity of this form of entertainment. Across the country, states are bringing this activity into a legal, regulated market that mandates robust consumer protections. To date, thirty-nine states plus DC and Puerto Rico have legalized sports betting, including the thirty-three of those jurisdictions having authorized mobile sports betting, allowing customers to place bets conveniently from their mobile phones and other devices.

To create an effective, legal market, regulated operators must be able to compete with pricing from illegal, offshore sportsbooks that do not face the same taxation and regulatory costs. Barriers to market entry, such as high taxes and fees, reduce their ability to offer competitive pricing or effectively market and innovate, all significant factors for consumers when making the decision on where to spend their money.

A marketplace with multiple choices for consumers leads to a better consumer experience that forces operators to innovate, offering new and exciting products to residents in Hawaii, and to compete with one another to provide consumers the best odds. A market with multiple operators increases the overall economic impact that sports wagering has in the state through license fees, advertising, and promotional events. Further, a competitive mobile market provides steady

¹ *Sizing the Illegal and Unregulated Gaming Markets in the United States*, American Gaming Association, November 2022. Available at americangaming.org/wp-content/uploads/2022/11/Sizing-the-Illegal-and-Unregulated-Gaming-Markets-in-the-US.pdf



tax revenue. Legal online sports betting is projected to generate millions per year in tax revenue for the state of Hawaii.

In a well-regulated market, consumers benefit from a variety of competitive and innovative products, as well as the robust problem gaming resources and consumer protections offered by these regulated companies that are not available in illegal markets.

Regulated operators, like DraftKings and other members of the Sports Betting Alliance, take the issues of underage wagering and problem gaming seriously. At DraftKings, we use “know your customer” technology to ensure underage individuals are not able to create an account, deposit, or wager through our website or application. When verifying a customer’s identification, a check is conducted using the demographic information including first name, last name, physical address, date of birth, social security number, and geolocation of the customer. The verification process is facilitated using multiple vendors and, only upon successful verification, is the customer able to create an account. DraftKings works with leading companies to monitor users’ location through, including, but not limited to, cell phone location data.

We also provide safeguards that allow customers to set their own deposit and play limits and to self-exclude from participation should they choose. A user has access to their transaction history available to them in their account information. The account history provides detailed information regarding all bets placed, all winnings and losses, and summary of their play over the last month, three months, year, and lifetime.

DraftKings appreciates the inclusion in HB 1308 of problem gaming resources, including funding for access to resources for those that need it.

As the committee considers this bill, we respectfully suggest two amendments that align the bill with industry standard language:

- On Page 1, Lines 8-12, we request that part of the definition of “Adjusted gross sports wagering receipts” be amended as follows:
 - “Adjusted gross sports wagering receipts” means gross sports wagering receipts less the total of all sums actually paid out as winnings to patrons, including the monetary value of any merchandise or thing of value awarded as a prize, and ~~subject to federal income~~ **excise** tax.”
 - The inclusion of “federal excise tax” is a necessary component to the calculation of adjusted gross sports wagering receipts. There is a specific federal excise tax imposed on sports wagering receipts and this language prevents double taxation of an operator’s receipts.



- One Page 44, Line 19, we request that “taking” be changed to “staking.” This is a technical term used in connection with gaming.

Thank you very much for your time today, and I would be happy to answer any questions you may have.



**Hawaii House of Representatives
Committee on Judiciary and Hawaiian Affairs**

Testimony in Support of HB 1308

February 12, 2025

Chair Tarnas and members of the House Committee on Judiciary and Hawaiian Affairs, thank you for the opportunity to provide testimony in support of HB 1308.

My name is Kathleen (Kate) Owen, and I am an attorney with the law firm Orrick, Herrington & Sutcliffe. I represent the Sports Betting Alliance (“SBA”), and I am submitting this testimony on their behalf. The SBA is a trade organization comprised of many of the top sports betting operators in the country—BetMGM, DraftKings, Fanatics, and FanDuel. Taken together, our membership is active in nearly all of the 33 U.S. jurisdictions¹ with legal online sports betting.

Nearly four-fifths of the states now offer some form of sports betting, which is a remarkable development since sports betting was restricted to only a handful of states prior to 2018. However, the rapid adoption of sports betting by state legislatures since the Supreme Court struck down that restriction comes as no surprise. Allow me to highlight three reasons why.

First, there is a robust illegal sports betting market that thrives in the absence of a legal, regulated framework. The American Gaming Association estimated in 2022 that Americans wager \$63.8 billion dollars each year in the illegal sports betting market²—which works out to nearly \$300 million wagered in Hawaii alone. This money is being wagered with offshore websites and illegal bookies with no oversight, consumer protections, or revenue generated for the state. The illegal and unregulated market continues to grow around the country in states without a legal alternative, and Hawaii is no exception.

Second, sports wagering is offered safely and responsibly by reputable operators in jurisdictions where it is legal. These operators implement robust measures with regard to identity verification,

¹ Thirty-one states plus the District of Columbia and Puerto Rico, including Missouri where voters approved legal online sports betting in November 2024, and it is expected to go live later this year.

² *Sizing the Illegal and Unregulated Gaming Markets in the United States*, American Gaming Association, November 2022. Available at americangaming.org/wp-content/uploads/2022/11/Sizing-the-Illegal-and-Unregulated-Gaming-Markets-in-the-US.pdf

consumer protection, responsible gaming, and game integrity that are not present in the illegal market.

Third and finally, states stand to generate significant revenue by putting a regulatory framework in place around this activity. By channeling this activity into the legal market and building a robust and responsible market for sports betting, Hawaii stands to gain millions per year in additional tax revenue.

A regulated, competitive mobile sports betting market would replace the predatory, illegal platforms already operating in Hawaii and generate new revenue for the state through a policy that has the support of constituents. According to a 2022 poll conducted by Anthology Research, 73% of Hawaii residents support legalizing and regulating online sports wagering in Hawaii for adults 21 years of age or older to generate annual tax revenue.³

The SBA respectfully requests two small technical amendments to language that was included in the bill during drafting:

- On Page 1, Lines 8-12, we request that part of the definition of “Adjusted gross sports wagering receipts” be amended as follows:
 - “Adjusted gross sports wagering receipts” means gross sports wagering receipts less the total of all sums actually paid out as winnings to patrons, including the monetary value of any merchandise or thing of value awarded as a prize, and **subject to federal income excise** tax.”
 - The inclusion of “federal excise tax” is a necessary component to the calculation of adjusted gross sports wagering receipts since the federal government imposes a 0.25% excise tax on the amounts wagered on legal sports betting.
- One Page 44, Line 19, we request that “taking” be changed to “staking.” Staking means wagering a sum of money or something else of value gambled on the outcome of a game or event, and is it is frequently used in connection with gaming, whereas the use of “taking” is unclear in this context.

The SBA supports HB 1308 and the framework that it would establish to regulate sports betting in Hawaii. Thank you again for the opportunity to testify.

³ Specifically, the Anthology Research survey inquired whether participants support this legalization “to generate annual tax revenue which can be used to improve Hawaii schools and to fund other critical priorities for the islands.”



**Written Statement of Cole Wogoman
National Council on Problem Gambling**

**Committee on Judiciary and Hawaiian Affairs
HB 1308
February 12, 2025**

Dear Chairman Tarnas and Members of the Committee:

I write on behalf of the National Council on Problem Gambling (NCPG), the sole national advocate for those suffering from a gambling addiction and their loved ones, to provide comments on HB 1308, which would legalize sports betting in the state of Hawaii. NCPG's mission is to lead state and national stakeholders in the development of comprehensive policy and programs for all those affected by problem gambling. Our vision is to improve health and wellness by reducing the personal, social, and economic costs of problem gambling. NCPG is neither for nor against legalized gambling.

There are an estimated 25,000 (2.2% of the adult population) Hawaiians currently struggling with a gambling problem. In addition, according to the *2021 Survey of Problem Gambling Services in the United States*, Hawaii tied for last out of 50 U.S. states in 2021 in terms of per capita public funds dedicated to problem gambling services. The average per capita allocation of public funds for problem gambling services in the 42 states reporting publicly funded services was 40 cents; Hawaii's per capita public investment was zero. We stress this to illustrate that right now those who develop a problem gambling have very few resources in place to assist them.

HB 1308 currently contemplates devoting a portion of tax revenue to problem gambling treatment and services, and NCPG supports that provision. NCPG recommends that all states dedicate a percentage of gross tax revenue from legalized gambling to preventing, treating, and researching problem gambling. NCPG recommends that the legislature devote at least between 1% and 10% of tax revenue from legal gambling to problem gambling prevention, treatment, and research. Other states such as Virginia designate 2.5% of tax revenue to problem gambling, while Tennessee designates 5%, and Missouri, for example, designates 10%. Hawaii will be in dire need of funding for problem gambling services given the expansion of legalized gambling this bill would provide. NCPG has long believed that everyone who profits from legalized gambling bears responsibility for gambling problems. Dedicating a portion of profits from gambling to mitigate gambling harm is an ethical imperative and an economic necessity.

Because Hawaii currently has no funding for problem gambling whatsoever, the law should include an appropriation of seed money to get programs started even before tax revenue has been



generated and transferred to the problem gambling and addictions grant fund. Without seed money, it could be a year or more once sports betting is operational before there are resources available for those who will need it. During this time, those who develop problems will have nowhere to turn in the state.

NCPG also recommends that gaming oversight be given to a gaming control board type commission, but that problem gambling resources be given to the same Executive agency which runs other addiction treatment services, likely the Behavioral Health Administration within the Hawaii Department of Health. These agencies are better equipped to handle addiction than the gaming regulator. NCPG recommends the legislation consider charging the agency with the following:

- Designate a senior staffer to be responsible for problem gambling issues;
- Create a problem gambling plan with public and private sector participation;
- Add brief gambling screens to intake/assessment and data tracking systems;
- Add gambling participation & problem symptom questions to existing surveillance, monitoring and survey efforts;
- Develop state and culturally-specific materials on gambling addiction based on existing behavioral health initiatives;
- Develop a plan to train current behavioral health counselors in basic problem gambling screening, assessment, treatment & referral;
- Identify certified counselors with prerequisite education and certification to receive advanced training with goal to achieve national certification and become trainers;
- Convene stakeholders to create a state non-profit council on problem gambling

NCPG recommends HB 1308 require operators to prominently display tools that assist players in making responsible decisions and allowing them to set limits. The bill should require operators to provide a variety of information to players to assist them in their decision making. This includes practical tips on how to keep gambling within safe limits, common myths associated with specific types of sports betting, information on how individual games work, how to use key responsible gambling tools, the risks associated with gambling, and signs of a potential gambling problem. In addition, operators should be required to provide players with information on their play. Players should have easily accessible and periodic updates regarding their gambling history including time and money spent, games played, net wins/losses, as well as session information. Players should have access to their account details including all deposit and withdrawal amounts. Players should be able to set limits on the amount of time they spend gambling and the amount of money they spend in a given time period (such as a day, week, or month).

In addition, some states designate a portion of gambling tax revenue to state universities to create programs that research the rates and preventative measures associated with problem gambling. For instance, New Jersey has a robust research program at Rutgers University funded by



gambling tax dollars. The Center for Gambling studies at Rutgers focuses primarily on behavioral addictions—excessive gambling, video gaming, other interactive technology use—as well as comorbid substance-based addictions and mental health issues.¹ Massachusetts also currently has one of the most thorough research effort in place, as their Expanded Gaming Act requires that the regulator establish an “annual research agenda” in order to understand the sociological and economic effects of expanded gaming in the Commonwealth.

Finally, NCPG recommends that state laws on sports betting include the requirement that operators include a “a nationally recognized problem gambling helpline number in all promotional activity[.]” NCPG has operated the national problem gambling helpline (designated as 800-GAMBLER) since 1995. The number routes calls to local problem gambling helplines where available. Use of the national helpline number is important as many advertisements are seen nationally, and use of one number reduces clutter on the screen—allowing those needing help to easily see one number to call. We recommend that the bill also require that a nationally recognized number be easily viewable on sports betting mobile apps and websites. Anyone placing a wager should be able to easily find the number to call should they decide they need help.

As with all forms of gambling, we know that there will be a significant portion of the population that will experience negative consequences as a result of legalizing a new form of gambling. We recommend that Hawaii look thoroughly at how other states mitigate gambling harm in legislation before legalizing sports betting. If you have any questions about the recommendations, or want additional details or recommendations, please do not hesitate to contact us. I would be happy to answer any and all questions that you may have. Thank you for the opportunity to submit our testimony.

¹ <https://socialwork.rutgers.edu/centers/center-gambling-studies/research-publications>



Iron Workers Stabilization Fund

T. George Paris
Managing Director

February 12, 2025
2:00 pm

House Committee on Judiciary & Hawaiian Affairs

325 & Videoconference

Re: Support for HB1308HD1-Gambling:Sports Wagering: Fantasy Sports: DBEDT

Aloha Chair Tarnas, Vice-Chair Poepoe and members of House Committee on Economic Development and Tourism

The Ironworkers Stabilization Fund strongly supports the legalization of sports wagering in the State of Hawaii.

In the 2024 survey by Asset Limited Income Constrained, Employed (ALICE) reported an alarming 180,000 residents are currently considering relocating elsewhere for financial relief. This significant exodus has detrimentally impacted our workforce and significantly impacted all Labor Unions.

We believe the legalization of sports wagering would diversify our economy, contributing to long-term economic stability through the generation of new tax revenue. This new income stream could enable the state to address the rising cost of living, fund critical services such as education, healthcare, and infrastructure, and create new job opportunities. It is imperative that we explore innovative solutions to retain our local residents, preserving our cultural identity, as many native Hawaiians and locals have relocated or are seriously considering relocation. Some may argue sports wagering will change the culture but the culture is already changing with so many locals moving out of state. Furthermore, Illegal gambling has infiltrated our communities, so now is the time to take some control of the pervasive problem

We urge this committee to give strong consideration to this bill to **keep local families homes**

Sincerely,

T. George Paris
Managing Director

HB-1308-HD-1

Submitted on: 2/10/2025 8:15:52 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Andrew Crossland	Individual	Oppose	Written Testimony Only

Comments:

I urge you to **VOTE NO** on the proposed bill to regulate sports wagering in Hawaii. This legislation represents a dangerous step backward for our community, one that threatens the social fabric, public health, and moral integrity of our state.

Undermining Community Values:

Hawaii has long prided itself on a culture that values family, community, and integrity. Introducing sports wagering would introduce a commercial activity that promotes gambling, often leading to addiction, financial ruin, and family disintegration. This bill would send a message that we are willing to trade these values for the promise of increased revenue, which is a shortsighted approach to our state's economic health.

Public Health Concerns:

The normalization of gambling through sports wagering is likely to exacerbate problems related to gambling addiction. Evidence from states with legal sports betting shows a significant increase in gambling disorders, which are linked to mental health issues, including depression, anxiety, and even suicide. The provision in the bill for a problem gambling fund, while well-intentioned, will not mitigate the scale of the problem that could emerge once gambling becomes more accessible and socially acceptable.

Youth Vulnerability:

The allure of sports betting, particularly through mobile applications, poses a direct threat to our youth. Despite age verification processes, the ease of access to betting apps could lead to underage gambling. The excitement of sports combined with the thrill of betting can be particularly enticing to young people, setting them on a path to gambling addiction at an early age.

Economic Misrepresentation:

While proponents argue that sports wagering will bring economic benefits, the reality is often quite different. The economic benefits are frequently overstated. The actual tax revenue from sports betting is typically lower than projected, while the social costs, including increased law enforcement needs, addiction treatment, and welfare services, can drain public resources. Moreover, the bill's tax rate of ten percent on adjusted gross sports wagering receipts might not be sufficient to cover these costs, leading to a net loss for the state.

Integrity in Sports:

Legalizing sports betting could tarnish the integrity of sports, which are a cherished part of our cultural identity. The risk of match-fixing, insider betting, and corruption in sports increases with legal gambling. This would not only affect professional and collegiate sports but also seep into amateur levels, potentially destroying the spirit of fair play that sports should embody.

Regulatory Challenges:

The bill outlines a complex regulatory system, but the enforcement and oversight required to prevent illegal activities, ensure fair practices, and protect consumers from predatory practices are immense. The administrative burden on the Department of Commerce and Consumer Affairs would be substantial, diverting resources from other critical functions.

Conclusion:

In conclusion, the proposed regulation of sports wagering in Hawaii is a move we cannot afford to make. It threatens our community's well-being, the purity of sports, and could lead to unforeseen economic burdens. I urge this committee to consider the long-term implications and **VOTE NO** on this bill. Let us protect Hawaii's unique cultural and social landscape from the corrosive effects of widespread gambling.

HB-1308-HD-1

Submitted on: 2/11/2025 6:50:07 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Pu'uhonua Bumpy Kanahele	Individual	Oppose	Written Testimony Only

Comments:

Testimony in Opposition to House Bill 1308: Sports Betting

February 11, 2025

Aloha Legislators,

The Nation of Hawai'i strongly opposes House Bill 1308, along with Senate Bills 891 and 893. These bills were drafted without consultation with the Native Hawaiian community and, if passed, will reinforce the historical economic exclusion and systemic marginalization of our people. Granting control over gaming development to external entities that do not represent the true interests of Hawaiians is a direct disservice to our community. We urge you to reject these measures.

Lack of Native Hawaiian Representation

HB 1308, SB 891 (Gaming Working Group), and SB 893 (Gaming Control Commission) were developed without input from the Nation of Hawai'i or any recognized Native Hawaiian governing entity. This exclusion is unacceptable. Native Hawaiians must have a central role in shaping policies that impact our economic future, yet these bills disregard our voices.

State-Controlled Revenue Model Perpetuates Economic Injustice

By funneling gaming revenue into a state fund, these bills perpetuate a system that has historically excluded and marginalized Native Hawaiians. The revenue generated from gaming should directly benefit Native Hawaiian communities, not be absorbed into state-controlled mechanisms that have continuously failed to address our needs.

Disregard for Native Hawaiian Sovereignty & Land Rights

The Nation of Hawai'i, as an internationally recognized sovereign entity under Public Law 103-150 (Apology Resolution), must have a decisive role in any gaming development within our homeland. These bills fail to acknowledge our sovereignty and do not provide any framework for Native Hawaiian-led economic development. This is a clear oversight that must be corrected.

Environmental & Cultural Concerns

The proposed gaming sites, including the Neal S. Blaisdell Center and the Hawai‘i Convention Center, lack the necessary cultural grounding and environmental sustainability required for a successful, long-term gaming initiative. True economic development for Hawaiians must align with our values, respect the land, and provide lasting benefits to our people.

Flawed Legislative Approach

SB 893 presumes a structure that should result from discussions initiated by SB 891, not precede them. Furthermore, these bills prioritize corporate entities with no history of supporting Hawai‘i’s best interests or engaging with Native Hawaiian communities. The legislature should not be selecting corporate “winners” at the expense of the Hawaiian people.

Historical Context: The Akaka Bill & Exclusion from Gaming Rights

The Akaka Bill, which sought federal recognition for Native Hawaiians, originally included gaming provisions that would have allowed our community to participate in the industry. However, these provisions were later removed, further disenfranchising Native Hawaiians and denying us economic opportunities. HB 1308, SB 891, and SB 893 continue this harmful legacy by reinforcing external control over gaming development rather than empowering Native Hawaiians to lead their own economic initiatives.

A Better Path: The Nation of Hawai‘i’s Indigenous-Led Alternative

The Nation of Hawai‘i has developed a sustainable, culturally grounded gaming initiative that ensures economic benefits remain within our community. Our plan includes:

- **Revenue Retained in Hawai‘i:** Direct reinvestment in Native Hawaiian communities, supporting education, housing, healthcare, and land restoration.
- **Cultural & Environmental Responsibility:** Gaming development in appropriate locations that align with Hawaiian values and environmental sustainability.
- **Stronger Oversight & Accountability:** A Native Hawaiian-led regulatory body ensuring compliance, ethical gaming practices, and protections against problem gambling.
- **Job Creation & Economic Empowerment:** Workforce training and career pathways for Native Hawaiians, fostering long-term economic self-sufficiency.

Our Demand: A Fair, Inclusive Process

We call upon the Hawai‘i State Legislature to **immediately halt the advancement of HB 1308, SB 891, and SB 893.** Instead of excluding Native Hawaiians from critical economic discussions, we urge legislative leaders to meet with the Nation of Hawai‘i to explore our Indigenous-led alternative.

Public Law 103-150 acknowledged the illegal overthrow of the Hawaiian Kingdom and reaffirmed our inherent right to self-determination. This right extends to economic development, including gaming initiatives that will shape Hawai‘i’s future. We must not allow external

corporate interests to dictate the terms of economic opportunities that rightfully belong to Native Hawaiians.

We urge you to stand on the right side of history. Work with the Nation of Hawai'i to establish a gaming framework that respects Native Hawaiian sovereignty, ensures economic equity, and fosters a sustainable future for our people.

We look forward to your response and a commitment to meaningful dialogue on this critical issue.

Mahalo for your time and consideration.

Sincerely,

Pu'uhoonua Dennis B. K. Kanahale

President, Nation of Hawai'i

puuhonua@nohgov.com

HB-1308-HD-1

Submitted on: 2/11/2025 7:11:01 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Cheryl Rzonca	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB1308 and am against any form of gambling in the state of Hawaii. My family has been affected by gambling and I am well aware of what it can do. Keep gambling out of Hawaii.

HB-1308-HD-1

Submitted on: 2/11/2025 7:31:50 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Bart Burford	Individual	Oppose	Written Testimony Only

Comments:

I oppose this measure

HB-1308-HD-1

Submitted on: 2/11/2025 7:33:32 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Deven English	Individual	Oppose	Written Testimony Only

Comments:

In strong opposition of this bill

HB-1308-HD-1

Submitted on: 2/11/2025 8:16:57 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Zac Nosugref	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-1308-HD-1

Submitted on: 2/11/2025 8:21:54 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul Giles	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB1308

Paul Giles

HB-1308-HD-1

Submitted on: 2/11/2025 8:35:23 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Robin D. Ganitano	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB1308 and against legalizing online sports betting in Hawaii.

HB-1308-HD-1

Submitted on: 2/11/2025 9:15:10 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeanine Acopan	Individual	Oppose	Written Testimony Only

Comments:

Why are you trying to destroy our way of life? Addiction is real and we don't need that or the crime that comes with any form of gambling!

HB-1308-HD-1

Submitted on: 2/11/2025 9:22:49 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary Smart	Individual	Oppose	Written Testimony Only

Comments:

Vote no on HB1308.

HB-1308-HD-1

Submitted on: 2/11/2025 9:23:27 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noela von Wiegandt	Individual	Oppose	Remotely Via Zoom

Comments:

Aloha,

I oppose HB1308. Any kind of gambling in Hawaii is never good. Please vote no on HB1308.

Thank you.

Noela von Wiegandt

HB-1308-HD-1

Submitted on: 2/11/2025 11:05:51 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul Littleton	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill HB1308

HB-1308-HD-1

Submitted on: 2/11/2025 11:10:17 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Sharan Sadowski	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to making online sports betting legal.

HB-1308-HD-1

Submitted on: 2/11/2025 12:27:08 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lesha Mathes	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill. Legalizing gambling never ends well. I have lived where it was legalized. It was supposed to help fund schools, it didn't. It brings in gambling addiction, people spending money on bets instead of groceries. It can interfere with the integrity of sports. It will bring higher crime rates.

HB-1308-HD-1

Submitted on: 2/11/2025 12:37:49 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Christine Otto Zaa	Individual	Oppose	Written Testimony Only

Comments:

Aloha Senators,

I strongly oppose all gambling/sports wagering related bills: HB1308, SB1569, SB891 and SB893.

At a time when our residents are living paycheck to paycheck, let's not legalize gambling. Let's not legalize a highly addictive activity that will tear down families instead of build them up. We can't make it easier for families to enter into the cycle of poverty.

Many of us have seen or experienced, family members and friends who have lost everything to gambling...marriages, jobs, family, friends, homes. Addiction doesn't just affect the person addicted, it affects the whole family. The financial gains for the state are not worth the damage to families and our communities.

All evidence shows that gambling is a loser's game. The only winner in gambling is predatory businesses, while families, nonprofits and government agencies bear the social and economic consequences of the broke and broken.

Please consider reading the below articles:

[The Predatory Gambling Industry Is Misleading Voters:](#) "Gambling companies are convincing states to legalize sports betting with promises of tax-revenue windfalls. The benefits are often less than promised--and they come at a severe human cost."

['Addictive, Exploitive, Manipulative': Les Bernal Breaks Down Predatory Gambling Ahead of Super Bowl:](#) "When gambling is used as a business, there is a predatory and adversarial relationship between the gambling operator and its customer. That's how they make their money. It's the only business in the world where the business owner or the business operator is trying to hurt you."

[Is Gambling More Addictive Than Drugs?:](#) "Gambling and drugs overlap in some ways...Both addictions leave devastating consequences on the individuals and their families. It can result in

people losing their jobs and leaving their loved ones homeless...a gambling addict is five times more likely to die via suicide than an alcoholic or a drug addict."

Please prioritize the well-being of our residents over profits.

Thank you,

Christine Otto Zaa

HB-1308-HD-1

Submitted on: 2/11/2025 1:31:26 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kirk Powles	Individual	Support	Written Testimony Only

Comments:

Why should Mark Cuban have all the fun?

HB-1308-HD-1

Submitted on: 2/11/2025 2:41:42 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mike	Individual	Support	Written Testimony Only

Comments:

I am writing in support of legalizing online sports gambling in the State of Hawaii.

The state tax revenue is an incredible opportunity for our state. We are limited in our ability to create tax revenue, aside from our high state tax (2nd highest in the country), and this bill will allow our state to introduce a new stream of revenue for the state. For example, in 2023, New York State took in \$800 million in tax revenue from sports betting alone. For the USA (38 states participating in online sports gambling), the industry created \$1.8 billion in tax revenue for these states. I believe this is simply an opportunity the state of Hawaii can not pass up.

On a social level, citizens of Hawaii are well know for their love of the 9th island, Las Vegas. Legalizing online sports gambling would appeal to the many individuals who enjoy betting in a safe and legal manner. As opposed to the many illegal operations going on throughout the state. With a legal option for bettors, I believe we will see a downturn in illegal activity.

Furthermore, the tax revenue generated could be used to combat illegal operations, as well as provide helpful treatment for addicted and troubled individuals that I know are a concern to some of the representatives of the state.

Mahalo for your consideration

HB-1308-HD-1

Submitted on: 2/11/2025 2:53:29 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lolita Keni	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill...I know this legalizing will do more harm, than good. We do not need anymore criminal activity, and this invites such a thing.

HB-1308-HD-1

Submitted on: 2/11/2025 3:12:32 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erzsi Palko	Individual	Oppose	Written Testimony Only

Comments:

TO members of the House:

I urge you to consider voting NO on HB1308.

I have a high school classmate who committed suicide over gambling debts leaving widowing his wife and orphaning his 2 children. Gambling has an addictive quality and should not be supported in any form by the State of Hawai'i.

HB-1308-HD-1

Submitted on: 2/11/2025 5:53:16 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tiare Smith	Individual	Oppose	Written Testimony Only

Comments:

****Testimony Opposing Hawaii HB1308****

Aloha, honorable members of the Hawaii State Legislature,

I am in strong opposition to House Bill 1308, which seeks to legalize online sports betting in Hawaii. This bill, while presented with potential economic benefits in mind, overlooks significant societal risks that could undermine the well-being of our community.

****Increasing Gambling Addiction:****

- The introduction of online sports betting could significantly increase gambling addiction rates. The ease of access provided by digital platforms exacerbates this risk, particularly among vulnerable populations like the youth and those already struggling with gambling behaviors. The convenience of betting from one's phone or computer can lead to impulsive decisions, fostering addiction without the physical deterrents present in traditional gambling venues.

****Undermining Sports Integrity:****

- Legalizing sports betting could compromise the integrity of sports. The possibility of match-fixing, insider betting, and other forms of corruption increases as the financial stakes rise. This not only affects the fairness of games but also diminishes public trust in sports, which are fundamental to our cultural and educational values.

****Financial and Social Harms:****

- The financial implications of gambling addiction are profound. Individuals might wager more than they can afford, leading to personal financial ruin, increased debt, and reliance on social services. This scenario would place additional strain on our state's resources for social support.

- Socially, gambling addiction can lead to family breakdowns, mental health issues, and crime. The normalization of betting through legalization could send a message that gambling is a harmless activity, potentially leading to a cultural shift where such risks are underestimated by the community.

****Community Impact:****

- Hawaii has long prided itself on its unique cultural heritage and community values. Introducing widespread gambling could alter our social fabric, shifting focus from community activities to profit-driven behaviors. The proposed bill might not adequately address the need for robust prevention and treatment programs for gambling addiction, especially given the remote nature of our islands which can complicate access to care.

****Regulatory and Enforcement Challenges:****

- While the bill outlines regulatory frameworks, the practical enforcement of these regulations in an online environment poses significant challenges. The digital nature of these transactions makes it harder to monitor for compliance, underage gambling, and money laundering.

****Conclusion:****

In conclusion, while the economic arguments for legalizing sports betting are noted, they do not outweigh the potential human and societal costs. We must prioritize the health and integrity of our community over potential tax revenues. I urge you to consider the long-term implications of this bill on our residents' lives and our state's social cohesion.

Please reject HB1308 to protect our community from the harms associated with an expansion of gambling. Mahalo for your consideration.

Sincerely,

Tiare Smith

HB-1308-HD-1

Submitted on: 2/11/2025 7:58:14 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Erik Eck	Individual	Oppose	Written Testimony Only

Comments:

Legislator's,

I oppose HB1308. My brother moved next to an Indian reservation that legalized gambling. Sports betting would be along the same line. This made the surrounding area instantly worse; crime increased, alcohol and drugs increased, and people no longer wanted to live in the area. We do not want to destroy Hawaii this way.

Sincerely,

Erik Eck

HB-1308-HD-1

Submitted on: 2/11/2025 8:38:40 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dayna Matsumura	Individual	Oppose	Written Testimony Only

Comments:

Oppose

HB-1308-HD-1

Submitted on: 2/11/2025 11:57:25 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Russell Garcia	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill we no need gambling in Hawaii. We all can go Vegas to gamble it just another way of making people more vulnerable to being in bad financial situations. I oppose this bill . I would rather fly to Vegas to gamble. Not to be surrounded by temptations every single day .

HB-1308-HD-1

Submitted on: 2/12/2025 2:10:36 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kelly Nishimura	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB1308, as I share HPD's concerns about the increase in crime resulting from legalized gambling. If this bill passes, HPD's resources will be further drained and our neighborhoods will face increased risks.

In addition to a rise in crime, the State Attorney General said that studies have shown "adverse financial and familial effects due to sports gambling, including an increase in domestic violence and an increase in household bankruptcy by twenty-five to thirty percent...."¹

¹ Lehman, Charles Fain, "Legalizing Sports Gambling Was a Huge Mistake." Available online at:

<https://www.theatlantic.com/ideas/archive/2024/09/legal-sports-gambling-was-mistake/679925/>.

This legislation will cause harm to our communities. Please vote "NO."

HB-1308-HD-1

Submitted on: 2/12/2025 5:45:33 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dwayne Bautista	Individual	Support	In Person

Comments:

In full support of HB1308 HD1, Hawaii needs new revenue to start funding Education,Child Care and free lunch for all public schools.

HB-1308-HD-1

Submitted on: 2/12/2025 7:44:26 AM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Mel Kahele	Individual	Support	In Person

Comments:

February 11, 2025

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

Thank you for the opportunity to testify today. My name is Mel Kahele I work for the Ironworkers Union Stabilization Fund. I am here today in support of HB 1308DH!. Today, billions of dollars are wagered annually on unregulated sites in Hawaii and elsewhere that are easily accessible to minors and lack responsible gambling protections. By legalizing online sports betting, Hawaii can provide a safer, regulated alternative, ensuring that consumers are protected while the state collects tax revenues from vetted gaming operators.

Mahalo,

Mel Kahele

HB-1308-HD-1

Submitted on: 2/12/2025 4:13:54 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nikos Leverenz	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Tarnas, Vice Chair Poepoe, & JHA Committee Members:

I am writing in strong support of HB 1308, HD 1, which would authorize online sports wagering. 30 states have live online sports wagering, with Missouri soon to join them.

Unlike casino operations or illicit game rooms, which have significant neighborhood impacts that can include violence and disruption to residential neighborhoods, online sports wagering is conducted through a smart phone or desktop. Online sports wagering will take a good deal of those funds dedicated to illicit gaming, including sportsbooks, and provide needed revenues for ongoing public spending priorities. It may also prove to reduce the demand for the use of illicit game rooms.

While some on the continent have been negatively impacted by sports wagering, as a general matter adults should be free to make decisions about their financial resources and entertainment options that they find to be suitable.

Those who are opposed to sports wagering need not participate and should not have the authority to dictate the choices of others that do not pose a threat to them or the communities that we inhabit.

At some point, the Legislature may want to address the potential of excluding contests where in-state college athletes are playing as a reasonable baseline regulation.

Mahalo for the opportunity to provide testimony.