

STAND. COM. REP. NO.

791

Honolulu, Hawaii

FEB 14 , 2025

RE: H.B. No. 1308
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1308, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO SPORTS WAGERING,"

begs leave to report as follows:

The purpose of this measure is to allow for the regulation of sports wagering by the Department of Commerce and Consumer Affairs and to specify that sports wagering and fantasy sports contests do not constitute gambling.

Your Committee received testimony in support of this measure from BetMGM; DraftKings; Sports Betting Alliance; and five individuals. Your Committee received testimony in opposition to this measure from the Department of Commerce and Consumer Affairs; Department of the Attorney General; Department of the Prosecuting Attorney of the City and County of Honolulu; Hawaii Family Forum; Boyd Gaming; and numerous individuals. Your Committee received comments on this measure from the Department of Taxation; Department of Budget and Finance; Office of Information Practices; and National Council on Problem Gambling.

Your Committee finds that establishing a legal framework for sports betting in the State can offer several potential benefits, both economically and socially. One key advantage is the reduction of illegal gambling and associated criminal activities,

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such as illegal game rooms and money laundering. Your Committee believes that offering a legitimate, safe, regulated alternative for sports betting may curb the illegal gambling network in the State, thereby improving public safety overall.

Your Committee has amended this measure by:

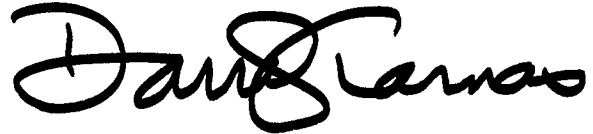
- (1) Clarifying the definition of "sports wagering supplier";
- (2) Requiring the Department of Commerce and Consumer Affairs to adopt rules to effectuate the purposes of regulated sports wagering;
- (3) Clarifying when the Department of Commerce and Consumer Affairs may deny a license, reprimand any licensee, or suspend or revoke a license;
- (4) Clarifying the requirements and procedures related to temporary sports wagering operator and sports wagering supplier licenses;
- (5) Amending the penalties for unlicensed sports wagering;
- (6) Specifically authorizing the Department of Commerce and Consumer Affairs to conduct criminal history record checks on applicants and licensees for regulated sports wagering; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully requests your Committee on Finance, should it deliberate on this measure, to consider and address the comments raised by the Department of Taxation relating to the collection and enforcement of tax revenues and implementation date of this measure.

As affirmed by the record of votes of the members of your Committee on Judiciary & Hawaiian Affairs that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1308, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as H.B. No. 1308, H.D. 2.



Respectfully submitted on
behalf of the members of the
Committee on Judiciary &
Hawaiian Affairs,



DAVID A. TARNAS, Chair



