



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
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NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Finance
Monday, February 24, 2025
10:00 a.m.
Conference Room 308 & Videoconference
State Capitol
415 South Beretania Street**

**On the following measure:
H.B. 1308, H.D.2, RELATING TO SPORTS WAGERING**

Chair Yamashita 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.

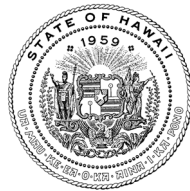
The Department's mission is to protect consumers, promote fair competition, and foster a healthy and vibrant business environment in Hawaii. While we are charged with overseeing a wide array of industries, the introduction of regulating sports wagering presents unique challenges that may conflict with 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.

Therefore, the Department respectfully requests that this measure be held in Committee. However, if the Committee is inclined to proceed with establishing this new licensing scheme, we request that the Committee refer this matter to the State Auditor for a sunrise analysis, as required by Hawaii Revised Statutes (HRS) section 26H-6. This analysis would assess the potential effects of regulation, evaluate whether it aligns with the legislative goals of the Hawaii Regulatory Licensing Reform Act, and explore alternative regulatory approaches.

Additionally, the Department respectfully requests an appropriation of \$2.5 million from general fund revenues to support the necessary staff and updates required to implement this new licensing system. Further, additional future recurring general funds will be required if licensing revenues do not meet operating expenses required to regulate this industry.

Thank you for the opportunity to testify on this bill.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

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STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
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EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

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 FINANCE
ON
HOUSE BILL NO. 1308, H.D. 2

February 24, 2025
10:00 a.m.
Room 308 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. 2, 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; amends Section 712-1220, HRS, to exclude sports wagering and fantasy sports contests from the definitions of "contest of chance" and "gambling" as pertaining to gambling offenses; and amends Section 846-2.7, HRS,

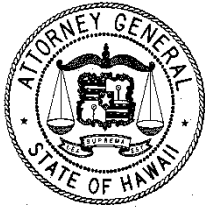
to authorize DCCA to conduct criminal history record checks for applicants and licensees of sports wagering operator and supplier licenses.

As a matter of general policy, B&F does not support the creation of any special fund, which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 1308, H.D. 2, it is difficult to determine whether the proposed PGPTSF would be self-sustaining.

B&F defers to the Department of Taxation 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.

Thank you for your consideration of our comments.



**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. 2, RELATING TO SPORTS WAGERING.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Monday, February 24, 2025 **TIME:** 10:00 a.m.

LOCATION: State Capitol, Room 308

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

Chair Yamashita 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 and fantasy sports contests 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 online sports betting results in adverse societal impacts, high costs to address those adverse impacts, and increased crime. For example, a study issued in June 2024 compared changes in household spending

between states that prohibit online sports betting and states that legalized online sports betting between 2018 and 2023. Based on the data, "[t]he legalization of [online] sports betting . . . increases credit card balances, reduces available credit . . . and decreases net investments in financial markets. These effects are particularly pronounced among financially constrained households."¹ Rather than redirecting household spending from other forms of entertainment—which would be a neutral or even positive use of funds—people overwhelmingly redirected funds that used to be spent on more stable, long-term investments, like retirement accounts.²

Consistent with these findings, a separate study issued in July 2024 analyzed credit bureau data to assess the effects of legalized sports betting on credit scores, debt, bankruptcy, and delinquency, and found a "substantial increase in bankruptcy rates, debt sent to collections, use of debt consolidation loans, and auto loan delinquencies . . . noting that these results are substantially stronger for states that allow online sports gambling . . ."³ Specifically, data showed that "online access significantly increases the likelihood of bankruptcy filing . . . by as much as 25-30% when compared to pre-treatment [i.e., before legalization] levels."⁴ Percentage-wise, these impacts of online sports betting were generally consistent among all ages, genders, and income levels, with young men (i.e., below age forty-five) from low-income areas being slightly more impacted by "higher rates of bankruptcy, more usage of consolidation and secured loans, more credit card delinquencies . . . [and] credit card limits decrease[d] the most."⁵

In addition to the direct impacts of online sports betting on household finances, multiple studies have shown a correlation between problem gambling and domestic

¹ R. Baker, Scott and Balthrop, Justin and Johnson, Mark J. and Kotter, Jason D. and Pisciotta, Kevin, "Gambling Away Stability: Sports Betting's Impact on Vulnerable Households" (June 30, 2024), at p.30. Available online at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4881086. Last accessed February 21, 2025.

² Walsh, Dylan. "Online Sports Betting Is Draining Household Savings" (December 1, 2024). Available online at <https://insight.kellogg.northwestern.edu/article/online-sports-betting-is-draining-household-savings#!>. Last accessed February 21, 2025.

³ Hollenbeck, Brett and Larsen, Poet and Proserpio, Davide, "The Financial Consequences of Legalized Sports Gambling" (July 23, 2024). Available online at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4903302. Last accessed February 21, 2025.

⁴ *Id.*, at 12.

⁵ *Id.*, pp. 27-28.

violence, with approximately 38.1 percent of problem gamblers reportedly being victims of intimate partner violence, and 36.5 percent reportedly being perpetrators of intimate partner violence.⁶ A study issued in August 2024 found that "legalizing sports gambling increases the effect of upset loss [i.e., an unexpected loss by a favored team] on IPV's [i.e., incidents of intimate partner violence] by 4.1 to 6.31 percentage points" and overall, "when sports betting is legal, IPV's increase by 8.5 to 9.6%."⁷

There is also a concern about youth and legalized gambling. For instance, one study notes that children who see parents, siblings, and other members of their household gamble are more likely to engage in gambling and other risky behaviors themselves.⁸ And yet another study finds that the earlier children are exposed to gambling through online games and other avenues, the more severe their gambling problems are likely to be later on.⁹

Hawaii's gambling laws currently provide an exception for "social gambling" (see section 712-1231, HRS), that allows, for example, a typical "poker night" or Super Bowl "betting pool" at a friend or family member's home. If conducted in this manner, "sports wagering" can already be enjoyed legally by Hawaii residents and the Department has no concerns about such activity. The Department is concerned, however, that once legalized gambling starts to involve large-scale operations, business corporations, or other money-making enterprises, the known risks and societal costs associated with legalized gambling will become real problems for the people of Hawaii on a much larger scale."

⁶ Dowling N, Suomi A, Jackson A, Lavis T, Patford J, Cockman S, Thomas S, Bellringer M, Koziol-Mclain J, Battersby M, Harvey P, Abbott M. "Problem Gambling and Intimate Partner Violence: A Systematic Review and Meta-Analysis." *Trauma Violence Abuse*. Available online at: <https://pubmed.ncbi.nlm.nih.gov/25477014/>. Last accessed February 21, 2025.

⁷ Matsuzawa, Kyutaro and Arnesen, Emily, "Sports Betting Legalization Amplifies Emotional Cues & Intimate Partner Violence" (August 27, 2024), p. 13. Available online at: https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4938642

⁸ Nower, Lia, "The Intergenerational Transmission of Gambling and Other Addictive Behaviors: Implications of the Mediating Effects of Cross-Addiction Frequency and Problems." Available online at: <https://www.sciencedirect.com/science/article/pii/S030646032200226X?via%3Dihub>.

⁹ Rahman, Ardeshir R., "The Relationship Between Age of Gambling Onset and Adolescent Problematic Gambling Severity." Available online at: <https://www.sciencedirect.com/science/article/abs/pii/S0022395612000623?via%3Dihub>

Additionally, the Department is concerned that section 1, pages 1 to 28, adds a new chapter to the HRS by proposing fairly extensive specifications regarding the licensing and regulation of sports wagering. However, nowhere in section 1 is "fantasy sports" mentioned, with one exception. In section 1, page 4, line 19, to page 5, line 7, the proposed definition of "sports wagering" explicitly notes (on page 5, lines 6-7) that "sports wagering" does not include "fantasy sports **contests**." Also, in section 1, page 27, line 17, to page 28, line 15, a new penalty section is proposed for unlicensed sports wagering, with no mention of unlicensed "fantasy sports contests."

Moreover, section 2, page 45, lines 12-20, proposes to amend section 237-13, HRS, Imposition of tax, by adding a tax on sports wagering, where again, there is no mention of "fantasy sports contests."

And finally, section 3 proposes to amend section 712-1220, HRS, by changing to the definition of "Contest of chance" by excluding sports wagering and "fantasy sports contests" (page 46, line 21, to page 47, line 2) and by changing the definition of "Gambling" by excluding sports wagering and "fantasy sports" (page 47, line 9, to page 48, line 3).

The Department is concerned that by removing fantasy sports contests from the definition of "gambling" (section 3, page 48, line 3), the bill decriminalizes fantasy sports contest activity altogether, in essence carving out an activity that can be done with no licensing, no regulation, and no taxing. Disconcertingly, there is also no penalty section provided similar to that proposed for unlicensed sports wagering (section 1, page 27, line 17, to page 28, line 15) for unlicensed fantasy sports contests, leaving fantasy sports contests open to not only unlicensed and unregulated activity, but also providing no penalty provisions for unlicensed and unregulated fantasy sports contest activity.

For the foregoing reasons, the Department respectfully opposes this bill and requests that it be deferred.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TAXATION

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GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

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

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 1308, H.D. 2, Relating to Sports Wagering.

BEFORE THE:

House Committee on Finance

DATE: Monday, February 24, 2025

TIME: 10:00 a.m.

LOCATION: State Capitol, Room 308

Chair Yamashita, Vice-Chair Takenouchi, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 1308, H.D. 2, for your consideration.

H.B. 1308, H.D. 2, 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 25, line 14, 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 impose the GET on licensed 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 to 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 25 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 the new section ___-11, HRS, be amended to clarify that enforcement of the GET imposed on sports wagering will be administered by DOTAX.

DOTAX further notes that the provisions on page 26, lines 3 to 5 and 12 to 14, which allocate 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 the allocations of tax revenues from sports wagering into the special fund, 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 to separately account for gaming revenues and would avoid potential issues with processing and administering the GET.

Additionally, DOTAX recommends that the new section 237-13(9), HRS, on page 45, lines 12 to 20, be amended to clarify how the 10 percent rate will be imposed on 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.

If passed, DOTAX requests the effective date be amended to January 1, 2027, to allow sufficient time to make the necessary system, forms, and instruction changes.

DOTAX estimates the following revenue gains from this measure:

General Fund Impact (\$ millions)

FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
\$5.3	\$5.5	\$5.7	\$5.9	\$6.1	\$6.3

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



Representative Kyle Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair
House Committee on Finance
Hawaii State Capitol
Honolulu, Hawaii 96813

Monday, February 24, 2025 – 10:00 a.m.; Agenda #1
Conference Room 308 & Videoconference

RE: HB 1308 HD2 – Relating to Sports Wagering – In Opposition

Aloha Chair Yamashita, Vice Chair Takenouchi and Members of the Committee:

Boyd Gaming appreciates the opportunity to provide written testimony in opposition to HB 1308 HD2, which would allow for the regulation of 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 HD2 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 SD2 which establishes a Tourism and Gaming Working Group to develop 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 submit testimony on this measure.



Submitted Online: Saturday, February 22, 2025

TO: House Committee on Finance
Representative Kyle Yamashita, Chair
Representative Jenna Takenouchi, Vice Chair

FROM: Eva Andrade, President

RE: Opposition to HB1308 HD2 Relating to Sports Wagering

Hawaii Family Forum stands in strong opposition to HB1308 HD2, 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 HD2 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/>



Testimony of Les Bernal, National Director of Stop Predatory Gambling, Opposing HB1308: A Bill Authorizing Online Gambling in Hawaii

Hawaii House Finance Committee
February 25, 2025

Dear Chair Yamashita and Committee Members:

I am testifying on behalf of our Hawaii members of Stop Predatory Gambling, a national nonprofit organization with members in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling.

We are writing in strong opposition to HB1308 that would allow online gambling in the state and urge you to vote NO.

There is no citizens grassroots movement for online gambling in Hawaii or in any other state. The lobbying effort in Hawaii is being driven by the greed of powerful, out-of-state financial interests who stand to reap hundreds of millions of dollars in profits at the expense of your constituents.

Our testimony will make clear what predatory gambling *is* and *is not*, as well as present several important and urgent facts why HB1308 merits to be rejected.

What is NOT “Predatory Gambling”?

Predatory gambling is NOT the Friday night poker game with friends. Or the March Madness Bracket. Or buying a square in the Super Bowl office pool. Or the bingo night at a local Catholic church. Or a wager on the golf course with the guys from work.

These informal events are examples of *social gambling*. There is no “house” skimming a large profit, guaranteeing the participant will inevitably lose over the long-term. No one is wagering continuously at rapid speeds of every five seconds, hour after hour. Very few people feel an intense “buzz” or high from the experience. There’s no aggressive and deceptive marketing to get people to gamble more often with bigger sums of money. No one is lending or borrowing cash to participate or ends up losing their entire pay check. It doesn’t go on 24 hours day, every day of the week, year round. And it doesn’t require the majority of Americans who rarely gamble to subsidize it with any of their own money.

When gambling lobbyists push claims of “illegal gambling,” they include these forms of social gambling which are the most common.

What IS “Predatory Gambling?”

Predatory gambling is when state governments partner with powerful corporate gambling interests to use *commercialized gambling - gambling being run as a business* - to exploit citizens and their communities. Unlike any other business, in commercialized gambling there is *a predatory and adversarial relationship* between the gambling operator and its customer, the gambler. *They are trying to take you down.*

Online gambling operators, their partners in government, and gambling industry lobbyists like to call it “regulated gaming.” But for the rest of us, the only term that accurately describes it is predatory gambling.

No form of commercialized gambling is more predatory and dangerous *than online gambling* which HB1308 would permit if passed. The reason *is because it offers unlimited access and action to hardcore forms of gambling*. It’s the equivalent of opening a Las Vegas-style casino in every bedroom, dorm room, office, smart phone, and computer with internet access across Hawaii, 24 hours a day. At the same time, the online gambling operator uses the latest data tracking and marketing technologies *to induce* citizens to gamble relentlessly with tactics such as “free gambling wagers” and a barrage of text messages offering “bonus bets.”

Why Is Predatory Gambling Called "The Big Con" and How Is It Different Than Every Other Business, Including Other Vices Like Alcohol and Tobacco?

What separates commercialized gambling from every other business, including other vices like alcohol and tobacco, is it's a big con game. It's a form of consumer financial fraud in the family of price-gouging and false advertising.

If you pay for a pizza, a ticket to a sporting event, or a glass of wine, that's what you receive in return. It's a one-for-one exchange. In commercialized gambling, what you receive is *a financial exchange offering the lure that you might win money*. But this financial exchange is mathematically stacked against you so inevitably you will lose your money in the end, especially if you keep gambling. Citizens are conned into thinking they can win money on games that are designed to get them fleeced in the end. Success only comes at someone else's expense. That's what the phrase "the House always wins" really means.

This con is the reason why commercialized gambling is still illegal *unless* you partner with state government. None of us can run our own state lottery. None of us can run our own casino or online gambling business unless we're in partnership with the state.

My favorite fact about "The Big Con" is this: with the zeal of a teetotaler, most of the people who operate and invest in commercialized gambling schemes like online gambling, along with the public officials who lobby to bring them in, ***rarely, if ever, gamble themselves***. Yet these hypocrites cause life-changing financial losses for tens of millions of Americans. We have awarded these individuals special status by inducting them into ["The Hypocrite Hall of Fame"](#) which you can view by visiting our website.¹

¹ "The Hypocrite Hall of Fame," January 2025. <https://www.stoppredatorygambling.org/meet-the-men-and-women-enshrined-as-members-of-the-hypocrite-hall-of-fame/>

**Key Facts Every Legislator Needs to Know About HB1308 - A Bill That Would
Authorize Commercialized Online Gambling Across the State:**

1) The Mainland United States is Experiencing a Metastasizing Epidemic of Gambling Addiction Among Young Adults and Teens Because of the Exploitation and Manipulation By Online Gambling Operators. Passing HB1308 Will Unleash This Epidemic Upon Young People Across Hawaii.

Many major national news organizations have reported on the epidemic of gambling addiction among young people metastasizing across the US because of the introduction of online gambling.²

Young adults, especially young males, are being targeted by online gambling apps and exposed to a barrage of gambling marketing to incentivizing them to gamble. It's a key reason why states are reporting the number one demographic calling gambling addiction hotlines today are young adults and teens.³

Kids used to collect sports cards growing up as fans of their favorite athletes and teams. Now kids are gambling. The high frequency of marketing by gambling operators has normalized gambling for kids, leading them to believe gambling was central to playing and watching sports.

Exposing young people to gambling ads normalizes and desensitizes them to the dangers of gambling and makes them more likely to develop problems later in life. They grow up mistakenly thinking it's a harmless activity. The younger children start gambling, the more likely it is they will become habitual and addicted gamblers.

After the harm that online gambling operators have inflicted on the mainland, why would Hawaiian public officials welcome them in to target the state's young adults and teens?

² "We're killing the youth of America': calls grow for crackdown on US gambling," *The Guardian*, December 1, 2023. <https://www.theguardian.com/us-news/2023/dec/01/sports-betting-regulation-gambling-addiction>

³ "Teens Are Developing 'Severe Gambling Problems' as Online Betting Surges: An increasing amount of evidence suggests that young adults and even minors are easily able to bet online despite a variety of industry safeguards." *Vice*, October 11, 2023. <https://www.vice.com/en/article/4a37mp/teens-are-developing-severe-gambling-problems-as-online-betting-surges>

2) Online Gambling Operators Use Deceptive Marketing Tactics to Minimize the Public Health and Financial Risks of Online Sports Gambling

The American Psychiatric Association's DSM-V, considered "the mental health bible" by hospitals, health insurance companies, and other health care professionals, now recognizes commercialized gambling as addictive as cocaine, opioids, and heroin.⁴ Despite its status as a known, dangerous addictive product, the corporate online gambling industry currently markets its offerings as "harmless fun," making itself attractive to young people by offering "free bets" and normalizing the activity with massive advertising and marketing.

But these corporations are also deceptively minimizing the actual financial harm their products cause. Many citizens who have become addicted now have personal debt levels *close to \$100,000*.⁵

In addition, a recent major national study found that online sports gambling has decreased the consumer financial health of everyday Americans, especially young men.⁶ According to the study, states with legal online sports gambling saw a significant drop in average credit score and significant increases in both the amount of money in debt collections and bankruptcy filings and the amount of money in debt collections.⁷

If you add up all of the financial losses that citizens on the mainland are experiencing to commercialized sports gambling, regional casinos, state lotteries, and video gambling machine venues, over the next five years the American people are on a downward spiral *to lose almost \$1 trillion of their personal wealth* to commercialized gambling.⁸ More than

⁴ American Psychiatric Association, Diagnostic and Statistical Manual of Mental Disorders (DSM-5), 2024. <https://www.apa.org/monitor/2023/07/how-gambling-affects-the-brain>

⁵ "The Human Cost of the Sports-Betting Boom: Sports betting has exploded, and experts are warning about the dangerous effects of its widespread legalization. Why is no one paying attention?" *Men's Health Magazine*, September 2023. <https://www.menshealth.com/health/a44652587/sports-betting-gambling-dangers/>

⁶ "The Financial Consequences of Legalized Sports Gambling," a study by Dr. Brett Hollenbeck of UCLA, Poet Larsen of USC, and Dr. Davide Proserpio of USC, July 2024. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4903302

⁷ *Ibid.*

⁸ H2 Gambling Capital, 2025. h2gc.com

\$150 billion in lost wealth each year.⁹ **That means the Americans on the mainland are losing almost \$300,000 of personal wealth every minute.**

The people of Hawaii have largely been spared these massive, life-changing financial losses because of the foresight and wisdom of prior Hawaii legislatures and governors.

3) The amount of illegal gambling has increased since states introduced online gambling, the complete opposite of what gambling operators claimed would happen.

The Sunday New York Times's series in November 2022 on the national lobbying campaign to push online gambling revealed that the American Gambling Association (AGA) orchestrated the phony “They’re already doing it”/“We’ll reduce illegal gambling” narrative as a multimillion dollar national public relations campaign to create a fake sense of momentum for online gambling.¹⁰

Yet at the same time it was peddling its “illegal gambling” story to state legislatures across the US, the AGA wrote a 2022 letter to then US Attorney General Merrick Garland **calling on him to take action against the growing problem of illegal online gambling, four years after legalization began.** In the AGA’s *own words* to AG Garland:

- “A vast illegal sports betting market continues to exist through offshore websites, which have established well-known brands—such as Bovada, MyBookie and BetOnline—that operate with a high degree of visibility and are readily accessible to every American with a smart phone or Internet connection. These illegal sites also enjoy many competitive advantages that allow them to offer better odds and promotions...”¹¹

⁹ H2 Gambling Capital, 2025. [h2gc.com](https://www.h2gc.com)

¹⁰ “A Risky Wager: Key Findings From The Times’ Investigation of Sports Betting,” *The Sunday New York Times*, Nov, 20, 2022. Pg. 1. <https://www.nytimes.com/2022/11/20/business/sports-betting-investigation.html>

¹¹ American Gambling Association Letter to US Attorney General Merrick Garland, April 13, 2022: https://www.americangaming.org/wp-content/uploads/2022/04/AGA_DoJIIllegalGambling-4.13.22.pdf

- "52 percent of gamblers continue to utilize illegal bookmakers."¹²
- "Internet searches for illegal betting sites increased by 38% last year, faster than the rate of searches for legal betting sites."¹³
- "Searches for offshore online gambling brands represented a majority of all sportsbook searches."¹⁴

The facts coming in from the states themselves further demonstrate this truth: according to a study commissioned by the Massachusetts Gambling Commission, the state where DraftKings is headquartered, **citizens who use illegal sports books in Massachusetts jumped from 4 percent in 2022 to 18 percent in 2023, after sports betting was legalized.**¹⁵

Despite this mounting pile of facts, gambling industry lobbyists and the state legislators who carry the online gambling bills continue to willfully mislead their colleagues, the media, and the public by claiming that allowing online gambling would reduce illegal gambling. Why do they continue to make these blatantly false claims?

¹² *Ibid.*

¹³ *Ibid.*

¹⁴ *Ibid.*

¹⁵ "Addiction in mind, Mass Gambling officials mull stricter advertising regulations," *Commonwealth Magazine*, June 24, 2024 <https://commonwealthbeacon.org/gambling/addiction-in-mind-mass-gaming-officials-mull-stricter-advertising-regulations/>

4) “Responsible Gambling” campaigns funded by the gambling industry and state government officials are a sham. Their primary purpose is merely to *give the appearance* that something is being done to protect the public from predatory and dangerous business practices.

The corporate online gambling industry is relentlessly targeting individuals who are demonstrating fundamental and visible symptoms of suffering from a gambling addiction.¹⁶ Operators have precise records and data about an individual’s online gambling behavior and patterns such as the amount of money an individual gambles, the *frequency* with which he or she gambles, whether an individual “chases” one’s losses, and whether the person demonstrates a preoccupation with gambling.¹⁷

Gambling operators often assign “hosts” to keep in continuous contact with these individuals, creating a “personal” relationship that usually involves hundreds of text messages that can begin first thing in the morning and continue throughout regular working hours, the subject of which are almost always special financial bonuses, deposit incentives, and credits for past gambling losses.¹⁸ This predatory behavior is essential to the online gambling industry’s business model: as reported by *The Wall Street Journal*, 70% of online gambling revenue comes from *less than 1/2 of 1% of all gambling customers*.¹⁹

These types of predatory business practices are why there are at least two fundamental questions that *every* state legislator who is serious about their job has a duty to ask. The first is *what percent of commercialized gambling profits is based upon citizens who have become addicted gamblers?* What you will learn is the gambling industry business model depends upon the addicted citizen:

¹⁶ "A Child Psychiatrist Tried to Quit Gambling - Betting Apps Kept Her Hooked," *The Wall Street Journal*, by Katherine Sayre, February 18, 2024. https://www.wsj.com/business/hospitality/gambling-addiction-sports-betting-apps-4463cdeo?mod=Searchresults_pos1&page=1

¹⁷ *Ibid.*

¹⁸ *Ibid.*

¹⁹ *Ibid.*

- Reinforcing what *The Wall Street Journal* uncovered in its investigation, one of the most influential studies of online gambling in the world found that 86% of gross online gambling profits were extracted from 5% of gamblers.²⁰
- In the brick-and-mortar casino business, it's been reported there are “at least nine independent studies demonstrating that addicted gamblers generate up to 60% of total gambling revenues.”²¹

The second question *every* serious legislator needs to ask is *what percent of gambling profits comes from people who follow “responsible gambling codes of conduct?”* The reality is the percentage of gambling profits that comes from people who follow “responsible gambling codes of conduct” (i.e., the casual gambler) *is virtually irrelevant to their profits.* NYU Professor Natasha Schull reported in her nationally acclaimed book *Addiction By Design* that people who follow responsible gambling guidelines *made up 75% of the players but contribute a mere 4% of gambling profits.* “They only bring in 4% of our revenues, the responsible gamblers,” the author of the study said. “If responsible gambling were successful then the industry would probably shut down for lack of income.”²²

Conclusion

Predatory gambling, including its latest form of online commercialized sports gambling, is an antiquated, outdated public policy and a relic of past failures of leadership. It has inflicted life-changing financial losses on tens of millions of Americans.²³ Its profits are based upon cultivating an addiction that causes a degree of human misery like very few things can including significant increases in rates of personal bankruptcy, divorce,

²⁰ “Exploring Online Patterns of Play,” National Center for Social Research (UK), March 9, 2021. https://www.begambleaware.org/sites/default/files/2021-03/PoP_Interim%20Report_Short_Final.pdf

²¹ “How Casinos Enable Gambling Addicts,” *The Atlantic*, By John Rosengren, December 2016 <https://www.theatlantic.com/magazine/archive/2016/12/losing-it-all/505814/>

²² Natasha Dow Schull, PhD, *Addiction By Design, Machine Gambling in Las Vegas*, Pg. 267 (2012), available at <http://press.princeton.edu/titles/9156.html>

²³ *Ibid*

domestic violence, and suicides.²⁴ And lastly, it has proven to be the ultimate budget gimmick as a state government revenue source, leading to higher taxes for less services over the long term.²⁵ *You pay even if you don't play.*

Over the last forty years, the citizens of Hawaii have experienced better economic mobility out of poverty, more stable families, less addiction, less domestic violence, stronger communities, less state budget problems, and lower taxes because the state officials said No to predatory gambling. **A vote for predatory gambling is a vote for failure.**

Thank you for your serious consideration of the facts presented in our testimony. If you need further information about this issue, I invite you and your staff to please contact me by email mail@stoppredatorygambling.org or phone (202) 567-6996.

Thank you for your work.

Sincerely,



Les Bernal, National Director
Stop Predatory Gambling

About Stop Predatory Gambling

Stop Predatory Gambling believes people are worth more than money. We are a national nonprofit organization with members of all political stripes in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling. We do not accept financial contributions from commercialized gambling interests.

²⁴ Institute for American Values, Why Casinos Matter Institute for American Values, Council on Casinos, Why Casinos Matter, Thirty-One Evidence-Based Propositions from the Health and Social Sciences, September 2013, at 29, <https://stoppredatorygambling.org/wp-content/uploads/2013/09/2013-Why-Casinos-Matter-FINAL.pdf>

²⁵ “State Revenues from Gambling: Short-Term Relief, Long-Term Disappointment,” Nelson A. Rockefeller Institute of Government, SUNY-Albany, April 2016, http://www.rockinst.org/pdf/government_finance/2016-04-12-Blinken_Report_Three.pdf



Chair Yamashita, Vice-Chair Takenouchi, and members of the Committee on Finance, thank you for your time today. My name is Rebecca London, Senior Government Affairs Manager for DraftKings Inc., and I am here today to provide testimony on behalf of DraftKings in support of HB 1308 HD2, 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 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 regulations in 28 states, Washington, D.C., and in Ontario, Canada. DraftKings is committed to being a responsible steward of this new era in real-money gaming by developing and promoting educational 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.

To create an effective legal market, legal 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 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 tax revenue.

Estimates based on data collected by the American Gaming Association, sizing the illegal market, predict revenue for the state of Hawaii in the tens of millions of dollars annually. These

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



funds can be used for important policy priorities this legislature is currently looking to fund. This revenue is in addition to the licensing, investigative, and administrative fees the regulatory body has the authority to assess to support licensing and regulatory oversight.

We are currently working with relevant Departments to determine the appropriate fee structure for the regulation of this new industry, and we welcome the opportunity to discuss what is appropriate for the state of Hawaii, with both legislators and regulators.

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. We use a number of tools and technology to verify our customers. Upon account creation, a player immediately has access to safeguards that allow them 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 a summary of their play over the last month, three months, year, and lifetime. For the majority of players, legal sports wagering is a form of entertainment, spending less than \$100 per month on the activity.²

DraftKings appreciates the inclusion of problem gaming resources in HB1308, including funding for access to resources for those that need it. In testimony provided earlier this month by the National Council on Problem Gambling, they estimated that just over two percent of the population, or 25,000 residents of Hawaii, may currently have a gambling problem.³ Regulated operators, like DraftKings, provide additional resources for those who need it and we have found that sports wagering has sometimes been a catalyst in other states across the country for them to revamp their responsible gaming tools and resources. Additionally, some sports wagering operators go above and beyond responsible gaming requirements imposed on them by a jurisdiction. For example, at DraftKings, we have a partnership with Kindbridge Behavioral Health to provide access to therapy and treatment for problem gaming in every jurisdiction where DraftKings operates its online sportsbook product.

Finally, concerns about increases in crime with legalization of online sports wagering are unfounded. In fact, while not suggesting causation, the FBI's data shows the top nine states with

² <https://www.newsweek.com/legal-sports-betting-good-thing-heres-why-opinion-1999456>

³ National Council on Problem Gambling, written testimony Feb. 12, 2025, Committee on Judiciary and Hawaiian Affairs

https://www.capitol.hawaii.gov/sessions/session2025/Testimony/HB1308_HD1_TESTIMONY_JHA_02-12-25_.PDF



the lowest crime rate are states with legal sports wagering.⁴ Connecticut and Illinois, states near the top of this list, have seen drops in violent crime since legalization of sports wagering, according to the same FBI data.

As the committee considers this bill, we respectfully suggests one amendment that aligns 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.

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

⁴ <https://www.usnews.com/news/best-states/rankings/crime-and-corrections/public-safety/violent-crime-rate>



**Hawaii House
Committee on Finance
Testimony in Support of HB 1308, HD2
February 24, 2025**

Dear Chair Yamashita, Vice Chair Takenouchi, and Members of the House Committee on Finance:

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, HD2, and would also like to thank Representative Todd for introducing this important piece of legislation.

HB 1308, if adopted, would create a licensed, controlled, and regulated sports betting industry in the state of Hawaii. Under the bill, only qualified and suitable operators that have the necessary experience, operational expertise and financial capability would be licensed and authorized to conduct sports betting. The operators would be required to undergo background investigation; pay license fees to ensure the administration and regulation of Hawaii sports betting is cost-neutral to the state; and more importantly pay gross sports betting tax revenues. Part of those tax proceeds would be deposited into a problem gambling prevention and treatment special fund.

***HB 1308 Would Generate Taxes for Hawaii; Protect Consumers; and
Provide Hawaii Residents A Legal, Regulated Alternative to an Existing
Illegal Sports Betting Industry.***

As you know, sports betting has been legalized in 38 states plus the District of Columbia, of which 32 have legalized online sports betting. Each of those jurisdictions has created a legal industry that acts as an alternative to an illegal and unregulated industry that **are not** subject to state licensure, control or regulation; **do not** invest in responsible gambling; **are not** subject to state consumer protection or anti-money laundering requirements; and **do not** pay gross sports betting taxes to the state.

The reality is that sports betting – a highly popular activity – already is happening in Hawaii today, but state residents currently lack any legal and safe alternative to the highly entrenched illegal and unregulated sports betting industry. This illicit market 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.

Additionally, 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.

Furthermore, American event-based trading companies, such as Kalshi – which had allowed bettors to make wagers on the U.S. presidential election, have also entered sports betting, allowing users to place bets in all 50 states, including on the most recent Super Bowl. Just like Stake, Bovada, and many other illegal operators, Kalshi takes sports bets from Hawaii residents.

*Exhibit 1: Event-based trading company Kalshi advertises itself as a sports betting platform that takes bets on sporting events, including on the most recent Super Bowl, **in all 50 states**.*

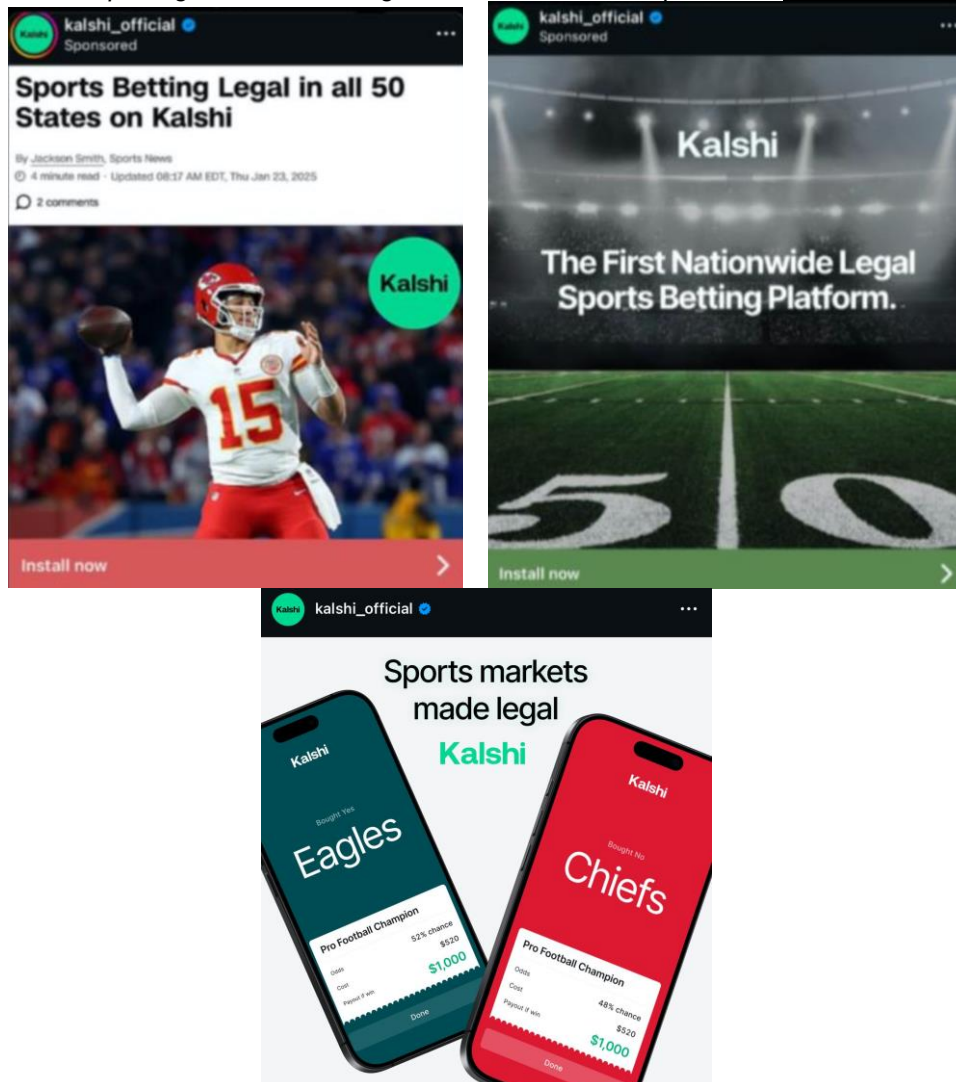


Exhibit 2: The terms and conditions of Bovada and Stake (a sweepstakes-based sports betting platform) make clear that these sites do not block wagers made from Hawaii and many other states – **Stake even explicitly indicates that they accept wagers from Hawaii.** Please note also that virtually all the states blocked by Bovada and Stake are states **that have a legal and regulated framework for sports betting.**

BOVADA JOIN LOGIN EN

SPORTS CASINO LIVE DEALER POKER HORSES

Bovada Help Center

How Can We Help?

Search in Help

Which Countries are Restricted?

Bovada remains open to United States residents, except for those living in the following states:

- Arizona
- Colorado
- Connecticut
- Delaware
- District of Columbia
- Kansas
- Louisiana
- Maryland
- Massachusetts
- Michigan
- Nevada
- New Hampshire
- New Jersey
- New York
- Ohio
- Pennsylvania
- Tennessee
- Washington DC
- West Virginia

Should you reside in a restricted state and still retain an account balance, please contact Customer Service for more information or to arrange a cryptocurrency withdrawal.

Stake Sign in Register

2. STAKE STATEMENT

2.1. The following are "Excluded Territories":

a) Any country other than the continental United States of America and Hawaii ("US");

b) Within the US the following States are excluded:

- WASHINGTON
- NEW YORK
- NEVADA
- IDAHO
- KENTUCKY
- MICHIGAN
- VERMONT
- NEW JERSEY
- DELAWARE
- WEST VIRGINIA
- PENNSYLVANIA
- RHODE ISLAND
- Any other states or jurisdictions which, under the laws applicable to you, are legally precluded from playing the Games offered on the Platform, and any other jurisdiction Stake excludes, in its sole discretion, from time to time.

Q stake sports betting app

Stake
https://stake.com

Sports Betting - Online Sportsbook

Bet online on the best online sportsbook and view the latest betting odds on your favourite sport! Bet on Football, NBA, MMA, MLB and more at Stake.com.

Cricket Betting Guide Soccer Boxing Best U

Stake
https://stake.com

Stake: Online Casino & Sports Betting - Play & Bet Online

Play the best online casino games, slots & live casino games, or bet on sports at Stake.com! Unlock VIP bonuses, bet with crypto and win big prizes.

Yet, despite their rapid proliferation the illegal and gray-market online sports betting industry, including this latest crop of event-based trading platforms and 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, many of these platforms allow prospective customers to simply check a box and self-certify that they are of gambling age.

Opponents of HB 1308 have asserted, without any empirical basis, that legalized sports betting leads to higher rates of violent crime. Opponents also have cited misleading studies asserting, again without any empirical basis as to causation, that legalized sports betting *causes and leads* to various social ills, including increases in bankruptcies and even domestic violence.

First, it is important to note that, as stated, 39 U.S. jurisdictions have legalized sports betting, of which 32 have authorized online sports betting. None of those states have repealed their sports betting statutes – to the contrary, these states continue to generate sports betting tax revenues; provide their residents a legal and safe alternative; and refuse to go back to a time when they ceded the sports betting market to unlicensed and illegal operators that did not provide their consumers any protections nor safeguards.

Finally, the studies cited by the opponents of HB 1308 miss one essential point – as outlined above, **illegal online sports betting is already happening**. The purpose of legalizing and regulating this activity is to ensure the state has dedicated funding to address problem gambling harms and can require operators to invest and conduct responsible gambling programs, including self-exclusion lists; offer deposit, wager, and time self-limits; as well as message responsible gambling interventions to patrons who may be exhibiting certain markers of harm.

The National Council on Problem Gambling (NCPG) [has indicated](#) that most individuals are able to gamble in a fun and responsible manner and that only a very small percentage of the population (around 1 to 3 percent) suffer from a spectrum of gambling disorder. This explains why regulated sports betting platforms and policymakers are focused on getting problem gambling treatment assistance and resources to this small percentage of patrons. The regulatory approach and online tools employed by legal operators can help better identify patrons who need help, rather than pushing them toward illegal bookies or illegal apps whose servers are often housed overseas.

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



**Hawaii House of Representatives
Committee on Finance**

Testimony in Support of HB 1308 HD2

February 24, 2025

Chair Yamashita and members of the House Committee on Finance, thank you for the opportunity to provide testimony in support of HB 1308 HD2.

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. In addition to Hawaii residents, Hawaii welcomes approximately 10 million tourists each year, which will create additional tax revenue potential.

A regulated, competitive mobile sports betting market would replace the predatory, illegal platforms and bookies 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

It is also important to highlight that despite purported studies and news stories to the contrary, the reality is that approximately 97% of individuals gamble responsibly. The vast majority of participants view sports betting as a form of entertainment that enhances their sports viewing experience. And the experts have reached the same conclusion. For example, the National Council on Problem Gambling (NCPG) has found that severe problem gambling affects only an estimated 1% of the population nationwide.⁴ Two states studied their own problem gambling rates after they legalized sports betting and found them to be consistent with those nationwide rates.⁵ One of the states concluded that “[c]onsidering that legal gambling availability has continued to increase both in [the state] and North America more generally beyond the early 2000s, the present fairly low rate of problem gambling illustrates that populations tend to adapt to the presence of legalized gambling over time.”⁶

In their February 12, 2025 testimony on this bill, the NCPG advised that an estimated 2.2% percent of the adult population in Hawaii currently struggles with problem gaming, which is consistent with the relatively static national average as well as the rates found in legal sports betting states, despite the fact that gambling is not legal in Hawaii. This means that the individuals in Hawaii who are currently struggling are doing so in the dangerous illegal market. HB 1308 HD2, however, includes extensive problem gaming provisions and consumer protections, including a provision requiring a to-be-determined percentage of taxes collected to

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.”

⁴ FAQs: *What is Problem Gambling?*, The National Council on Problem Gaming. Available at <https://www.ncpgambling.org/help-treatment/faqs-what-is-problem-gambling/>

⁵ Connecticut found a problem gaming rate of 1.9% and Indiana a rate of between 1.3-2.3%. *Study: Connecticut Problem Gambling Declines Over Past Three Decades*, SBC Americas, February 22, 2024. Available at <https://sbcamericas.com/2024/02/22/connecticut-study-gambling-residents/>

⁶ *Adult Gambling Behaviors in Indiana 2022*, Prevention Insights at the Indiana University School of Public Health, 2022. Available at https://ipgap.indiana.edu/documents/2022_Adult_Gambling_Behaviors_in_Indiana.pdf?_gl=1*oagzyh*_ga*MTI3NDQwMDk2LjE2O DkwNDM3NDQ.*_ga_61CH0D2DQW*MTY4OTA0Mzc0NC4xLjAuMTY4OTA0Mzc0NC42MC4wLjA.&_ga=2.262835852.146966882.3.1689043745-127440096.1689043744

be deposited into a problem gambling prevention and treatment fund, which will be a benefit to all residents of Hawaii. Additionally, the bill requires that all operators be required to conspicuously display in all advertising for sports wagering the availability of the toll-free helpline “1-800-GAMBLER,” which spreads the message that this resource is open to everyone who needs help.

There have also been allegations that sports betting leads to more violent crime. This is simply not based in fact. We can point to several states, including Arizona, Connecticut, Delaware, Illinois, and New Jersey, that have experienced a *decrease* in violent crime after legal sports betting launched. In fact, based on FBI data, nine out of the ten states with the lowest rate of violent crime have legal and regulated sports betting.⁷

Opponents of legal sports betting have also cited a study finding that unexpected game losses by the home team on a Sunday increase intimate partner violence (“IPV”) more in states where sports betting is legal than in states where sports betting is not legal. But this study suffers from numerous flaws, including the fact that the authors’ reported increase from the baseline is so small and statistically insignificant that it could be driven by randomness and coincidence—showing a purported change in IPV from 4.17 per 1 million people up to 4.21 per 1 million people. This suggests that the study shows minimal correlation at best but certainly not causation between sports betting and violence—the study does not even analyze whether the individuals involved in IPV had placed bets.

Similarly, the assertion that sports betting leads to higher rates of bankruptcies and other markers of financial distress is not based on a sound empirical foundation. Opponents have cited population or state-level surveys that, just like the IPV study, try to ascribe correlation to causation. Notably, these studies—purporting to show higher credit card delinquencies, lower savings, or higher rates of bankruptcy—fail to test or control for external variables and larger macroeconomic factors driving such results, including inflationary and other cost pressures. For example, it is important to note that the timing of legalization of sports betting in many states coincided with the COVID-19 pandemic. Thus, changes in behavior and personal finances during COVID may be correlated with the timing of the launch of sports betting, leading to biased or overstated results. Critically, none of them determine whether the additional individuals or households that experienced financial distress ever participated in online sports betting—leaving any connection to sports betting speculative and tenuous at most.

The authorization of the legal market removes the stigma that some may feel when struggling with problem gambling in the illegal market and opens an invaluable door for those who need help.⁸ While it is true that call-center traffic often increases when online sports betting is

⁷ *Low Violent Crime*, US News & World Report, accessed on Feb. 22, 2025. Available at https://www.usnews.com/news/best-states/rankings/crime-and-corrections/public-safety/violent-crime-rate#google_vignette

⁸ The increased visibility of the 1-800-GAMBLER number that accompanies the entrance of the legal market allows for people whose addiction predates legalization to engage with it, and it can also serve as a resource for people whose gambling problems have nothing to do with sports betting. Robert Williams, Executive Director of the New York State Gaming Commission, emphasized in his 2023 testimony before the New York Senate that the “advertising by mobile sports wagering companies has resulted in

legalized, regulators and experts have cautioned that this does not necessarily correlate to an increase in problem-gaming cases. Rather, many calls are coming in from people seeking information such as winning lottery numbers (in states where the lottery is legal), technology help with apps, or customer service, rather than treatment. The Executive Director of the NCPG has called call volume a “fairly weak predictor of gambling addiction.” The above findings are consistent with rates observed across the U.S., suggesting there is no evidence of a significant increase in problem gambling as a result of legalization.

Finally, 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.
- On 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 HD2 and the framework that it would establish to regulate sports betting in Hawaii. Thank you again for the opportunity to testify.



**Hawaii House
Committee on Finance
Testimony in Support of HB 1308, HD2
February 24, 2025**

Dear Chair Yamashita, Vice Chair Takenouchi, and Members of the House Committee on Finance:

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 submit this testimony on behalf of BetMGM in support of HB 1308 and to provide background on how BetMGM ensures it provides its players with responsible and problem gambling resources, tools, and support.**

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 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. This bill would also help create a dedicated problem gambling fund, which would provide needed resources and support to Hawaiians, many of whom are already dealing with gambling related harm today – despite gambling being currently illegal in the state.

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 submit this written testimony. I welcome any questions the committee may have on this topic.

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February 23, 2025

**Testimony of Matthew R. Litt, Esq., Principal of Litt Law LLC
Opposing HB1308: A Bill Authorizing Online Gambling in Hawaii**

Hawaii House Finance Committee

Dear Chair Yamashita and Committee Members:

I am testifying as the principal of Litt Law LLC, a law firm with a near-exclusive focus on the representation of addicted gamblers and their families against the predatory practices of online sportsbooks and casinos. My cases and testimony herein focus on the abuses of VIP programs and VIP hosts, which have been used across the United States state to initiate, grow, and exacerbate the gambling addictions of the most vulnerable residents leading to catastrophic results for not just the gamblers, but their families, businesses, and employers as well. It is for this reason, that I write in strong opposition to HB1308.

VIP Programs and VIP Hosts

If you drive down the New Jersey Turnpike in my home state, you'll see billboard after billboard advertising legalized sports betting. The billboards depict a few guys having fun, presumably watching a Yankees or Mets game with a little extra enthusiasm because they have a

financial stake and put a few dollars on the game. This is always the promise of sports gambling in the abstract...harmless entertainment.

But this is not how it has worked in practice in any of the thirty-eight states where it's been legalized. The greatest culprit of bringing sports betting from harmless entertainment to a public health catastrophe is the VIP program and the VIP host, used by every online sportsbook in America to take as much money as possible from vulnerable persons until they hit rock bottom.

My office receives an email or phone call nearly every day from a problem gambler or spouse of a problem gambler desperate for help -- almost every one of them was subject to a VIP program and had a VIP host.

A player is given VIP status and assigned a VIP host when their deposits exceed a certain amount of money – the metric is secret and changes over time. This level of deposits is a sign of problem gambling in most people, but instead of using the deposit data they collect to help the gambler, they use it to identify him or her for this “special” program. The VIP engagement is most often initiated without any meaningful verification of a gambler's source of funds -- it is not unusual for someone to deposit millions of dollars without the casino ever verifying where the money is coming from.

The VIP host often becomes a very strange intimate one-sided quasi-friendship between an addicted gambler and the only person who knows about the addiction. The VIP host keeps the gambler gambling. The host knows when the gambler had a bad weekend and lost all his bets – and feeds him free money to keep him going; the VIP host sends the gambler all-expense paid trips worth tens of thousands of dollars to every sporting event you can imagine; the VIP host sends the gambler trophies and other gifts to “congratulate” them on what they term “loyalty” milestones -- all of which are just deposits.

I spend a substantial part of my days reading through text chains between gambler and VIP host and it's horrifying; you see the addiction so clearly, as the gambler goes to the VIP host begging for money so they can keep gambling, mirroring the relationship between a drug dealer and addict.

As one example, in one of my more high-profile cases, Patel v. FanDuel, the VIP host created a custom bonus scheme which ended up providing Mr. Patel with over \$1M dollars in FanDuel credits to keep him gambling, in addition to not just giving him trips but joining him on these trips. In another one of my cases, Antar v. BetMGM, the VIP host boasted on his resume that he is skilled at "converting lapsed players" – lapsed players are players who are trying not to gamble.

Sports and casino gamblers frequently show the telltale signs of gambling addiction in these communications with their VIP hosts, often on a daily basis, and the hosts don't ignore it – they typically use it to get more and more deposits until the inevitable result – the gambler hits rock bottom and has no more money to spend. Occasionally, the VIP host will ask the sports or casino gambler if they're comfortable with the amounts their gambling, and whether they're gambling within their means – all the gambler has to say is "yes," and the VIP host continues the incentives unabated. It goes without saying that an addicted gambler, no different from any other addict, will say whatever they need to say to continue their addiction – such a "responsible gambling" check is useless, and intentionally so.

There is no profile of the person who is susceptible to the VIP host – my office represents men, women, blue collar workers, doctors, lawyers, business owners, old, young, black, white, Hispanic – we receive calls from every imaginable demographic.

Through the VIP host, the sportsbook or casino becomes an active participant in the gambler's addiction until the gambler hits rock bottom – the casino then walks away with all of the money and none of the personal, familial, business, or social consequences.

I'm asked all the time, isn't it the gambler's fault, aren't they responsible for themselves? Of course they are...but that responsibility is not exclusive. The casinos through the VIP hosts turn manageable, reversible mistakes into catastrophes for the gambler and their families and spread that catastrophe throughout the community. Through the VIP host, a week or a month of over-extension becomes an extended years-long life-changing tragedy.

The VIP host is remarkably adept at ensuring that all of this appears normal to the gambler as they lose their life savings, retirement accounts, max-out credit cards and take new loans, and even steal to continue gambling; they assure the gambler both explicitly and implicitly that big losses happen to everyone and that it's perfectly normal. They do this by sending relentless prizes in the form of free bets, deposit matches, trips, and trophies equating the quantity of deposits and "loyalty" to the sportsbook with success. They also do this through online and in-person social functions, where gamblers are encouraged to share large bets with the community, and get together with other problem gamblers at high-end sporting events and expensive restaurants and other getaways. The casinos will also flaunt their commitment to responsible gambling with a phone number and disclaimers that have been proven completely ineffective at preventing addiction.

Lack of Consumer Protections

These abuses all come from a perceived lack of legal accountability. There's not a state legislature yet that has addressed predatory gambling. That's what I'm working to change through the Courts – I have no doubt that in 5-10 years, none of these abuses are tolerated under law, but countless lives, families, and businesses are being destroyed in the meantime.

In summary, the law is generally that a casino is not obligated to save an addicted gambler from themselves. This law was established in the pre-historic brick and mortar days before people were carrying 24-hour access to a sportsbook in their pockets.

This law was also made before gambling addiction was understood the way it is now -- since 2014 through the American Psychiatric Association DSM5, it's been classified alongside alcohol, opioid, and cigarette addiction, but the law has not yet adapted – and in the meantime the sportsbooks are trying to take full advantage.

There is a critical distinction between passively allowing a sports gambler to gamble and a sportsbooks' active participation in the addiction by affirmatively incentivizing and manipulating the gambler to keep depositing money and continue in greater amounts, which the law appears slow to understand.

But sportsbooks are a business entity like any other, and the gambler is a consumer – if the business entity knows its product is harmful and not just allows but encourages its use anyway, they should be negligent just like any other product or service. The problem is that without this being made explicit by the legislature, the sportsbooks believe themselves to be free to prey on its most vulnerable customers. Lawyer perform an important function between a business and a consumer – they ensure that those causing or who would cause harm in our society fix it through the threat of serious financial consequences. If those consequences don't exist, or when they're perceived to not exist, the bad actor is free to exploit its imbalance of power undeterred.

In the case of sportsbooks, the imbalance of power is massive. A person vulnerable to problem gambling simply doesn't stand a chance against the casino's resources.

3rd Party Harm

I've never spoken with an addicted gambler whose addiction did not have a severe and tangible financial effect on his or her family, business, employer, or children. As one example, in another case handled by my firm, D'Allasandro v. DraftKings the addicted gambler is alleged to have taken money first from joint marital accounts, then from his wife's credit cards, then from his children's Christening and birthday gifts. I have received calls from several families with similar situations.

The frustration is that this is all so predictable. An addicted gambler will take money from anywhere he or she has access to continue gambling, because in the addict's mind the next bet is the one that's going to make this all better. The addicted gambler in the throes of addiction does not know any better – but the VIP host certainly does.

One of my clients is in prison for six years for stealing money from his employer to gamble; another served a little more than a year in prison for stealing money to gamble; I have several clients awaiting indictments or prison sentences -- no pot of money is safe. Getting a divorce, losing your home, declaring bankruptcy, those are some of the best case scenarios for gamblers whose lives are infiltrated by a VIP host.

Conclusion

Your work on this issue and consideration of my testimony is appreciated. Please always feel free to contact me by email (MLitt@LittLaw.net) or telephone (908-902-7071) to discuss anything in additional detail.

Respectfully submitted,
Litt Law, LLC

A handwritten signature in blue ink, appearing to read "MLitt", with a diagonal slash through it.

By: Matthew R. Litt, Esq.

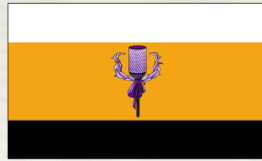
About Matthew R. Litt and Litt Law LLC

I live in and work from New Jersey, where legalized sports betting all began. I am a lawyer with more than 20 years of experience with a focus on consumer protection work -- so I've always watched television advertisements different than most people. As soon as sports betting was legalized, we were flooded with "Risk Free bets" advertisements. It was immediately clear to me that there was nothing risk free about these bets, and so I started digging into this world of sports gambling.

I read everything I could, spoke with everyone I could, I even attend G.A. meetings to get a feel for what was going on – it didn't take long to realize this was a public health disaster, this was about so much more than a risk-free bet offer. It was clear to me that a jurisprudential solution was needed, and I began writing a letter to the-then seven NJ sports books explaining why the Risk-Free bet promotion was a violation of NJ law, and instructing them to stop. I didn't even have a client to represent at that point, I just knew that I had to do *something* to slow the sports books down.

Since then, I have represented some of the most high-profile cases in this space, and from those receive phone calls and emails from gamblers and their families from all over the country telling me their stories and asking for help.

INDEPENDENT & SOVEREIGN NATION STATE OF HAWAI'I



EXECUTIVE

Office of the Foreign Minister
41-1300 Waikupanaha Street Waimānalo, HI 96795

February 23, 2025

Testimony in opposition to HB1308, 2nd VP, Foreign Minister, John Kealoha Garcia

As the Second Vice President, Minister of Foreign Affairs, and Minister of Commerce for the Nation of Hawai'i, I join in expressing our firm opposition to House Bill 1308 concerning the regulation of sports wagering.

From an economic perspective, while proponents argue that legalized sports wagering could generate additional revenue for the state, it is essential to consider the broader implications. The potential social costs associated with gambling addiction, increased crime rates, and the strain on public health resources may outweigh the anticipated financial benefits.

Legalized gambling threatens the stability of local businesses by diverting essential spending away from small enterprises that sustain Hawai'i's economy. As stewards of commerce and culture, we advocate for economic initiatives that prioritize sustainability, cultural preservation, and Native Hawaiian empowerment. Any decision impacting Hawai'i's economic future must include Native Hawaiian voices, respect our inherent rights, and uphold our role in shaping policies that affect our land, people, and resources.

We respectfully request that the legislature reconsider the advancement of HB 1308 and instead explore avenues that promote economic resilience and cultural integrity for all the people of Hawai'i.

With Aloha,
John Kealoha Garcia

*2nd Vice President, Minister of Foreign Affairs, Minister of Commerce
Independent & Sovereign Nation State Of Hawai'i*

HB-1308-HD-2

Submitted on: 2/23/2025 11:01:35 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pu'uohonua Bumpy Kanahahele	NATION OF HAWAII	Oppose	Written Testimony Only

Comments:

Aloha Legislators,

My name is Pu'uohonua Dennis B. K. Kanahahele, and I submit this testimony in strong opposition to Senate Bill 1569 and Senate Bill 891. Like HB 1308, these bills were introduced without meaningful consultation with Native Hawaiians. I urge you to follow the same course of action taken with Senate Bill 893 and reject this measure.

Hawai'i has already recognized the dangers of rushed gaming legislation. SB 893 failed for good reason. It lacked proper oversight and would have prioritized outside interests over the well-being of the people of Hawai'i. SB 1569 should meet the same fate. These bills exclude Native Hawaiian leadership from discussions that directly impact our future. Any conversation about gaming in Hawai'i must begin with Native Hawaiians at the table.

Beyond exclusion, these bills continue the pattern of economic injustice by directing gaming revenue into a state-controlled fund rather than ensuring meaningful reinvestment in Native Hawaiian communities. Public Law 103-150, the Apology Resolution, acknowledged the illegal overthrow of the Hawaiian Kingdom and reaffirmed our right to self-determination. Yet SB 1569, like past legislation, ignores this reality and denies Native Hawaiians the opportunity to shape our own economic future. The Akaka Bill, which sought to establish a federally recognized Native Hawaiian government, initially included gaming provisions but was later stripped of them, further excluding Native Hawaiians from economic opportunities. This repeated pattern of exclusion must end.

A Better Path Forward

Rather than pushing through legislation that marginalizes Native Hawaiians, there is an opportunity to create a fair, inclusive, and sustainable gaming framework. Our approach prioritizes responsible gaming, economic self-sufficiency, and cultural integrity. This plan reinvests revenue into Native Hawaiian education, housing, healthcare, and land restoration; prioritizes development in locations that align with Hawaiian values and environmental sustainability; establishes a Native Hawaiian-led regulatory body ensuring compliance, ethical gaming practices, and consumer protections; and creates workforce training and career pathways for Native Hawaiians.

True economic development must be led by and for Native Hawaiians, ensuring that any revenue generated directly benefits our people and aligns with our cultural values. Instead of repeating

the mistakes of past legislation, I urge this committee to engage in meaningful dialogue with Native Hawaiian leaders and organizations to develop a gaming policy that respects our rights and our future.

We call upon the Hawai'i State Legislature to immediately halt the advancement of Senate Bill 1569. Your colleagues saw the wisdom in not advancing SB 893, and this bill, along with HB 1308 and SB 891, should see the same fate. 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.

Respectfully submitted,
Kanahele, Nation of Hawai'i

Pu'uhonua Dennis Bumpy



February 24, 2025

HB1308 - OPPOSE Sports Wagering

Aloha Chair Yamashita, Vice Chair Takenouchi and Committee Members:

HI Good Neighbor strongly opposes HB1308, the legalization of sports wagering.

Whether legal or illegal, whether you call it sports wagering or gambling, how can we even consider profiting off of people's misfortunes and addictions?

At a time when our residents are living paycheck to paycheck, why legalize a highly addictive activity that will tear down families instead of build them up? We should not make it easier for families to enter into the cycle of poverty, or remain there. All evidence shows that gambling is a loser's game. The only winners in gambling are predatory businesses, while families and communities bear the social and economic consequences of the broke and broken.

Please read the abundance of available information by those who are not profiting from this insidious industry.

[Stop Predatory Gambling](#) - nonprofit organization

[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](#): "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?](#): "A gambling addict is five times more likely to die via suicide than an alcoholic or a drug addict."

Please put our people over profits and vote NO on HB1308.

Mahalo,

Christine Otto Zaa, HI Good Neighbor

HB-1308-HD-2

Submitted on: 2/23/2025 8:12:20 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jamie Detwiler	Hawaiian Islands Republican Women	Oppose	Written Testimony Only

Comments:

Aloha Chair Yamashit and Committee,

The Hawaiian Islands Republican Women stand in **STRONG OPPOSITION** to HB1308.

Any effort to legalize any form of gambling is irresponsible. Our state is currently struggling with economic challenges, housing shortages, homelessness, cost of living, crime, and so much more. Gambling will invlte criminal activity and have a negative impact on our state.

Please vote NO on HB1308.

Thank you for the opportunity to testify.

Respectfully,

Jamie Detwiler

Hawaiian Islands Republican Women

HB-1308-HD-2

Submitted on: 2/21/2025 5:14:37 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alfred Hagen	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

This bill is crazy stupid: more crime, more trafficking, more prostitution, drug trade, bankruptcies, more homelessness and broken families. What good comes from it? None!

And, it'll be the local people who'll suffer. Not the tourists who come here for the sun, beaches and the island ambiance.

Oh, the lure of the lucre; that's all it is; the lucre. And, at what cost?

I urge the legislatures who are voting on this bill to vote NO.

I oppose this bill and vote NO!

Mahalo,

Alfred Hagen

HB-1308-HD-2

Submitted on: 2/21/2025 5:17:23 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Patty Kahanamoku- Teruya	Individual	Oppose	Written Testimony Only

Comments:

Opposition to any type of gaming, gambling in Hawaii!

HB-1308-HD-2

Submitted on: 2/21/2025 6:43:23 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Stacey Alapai	Individual	Oppose	Written Testimony Only

Comments:

Please oppose this bill.

At a time when our residents are living paycheck to paycheck, 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, or remain there. All evidence shows that gambling is a loser's game. The only winners in gambling are predatory businesses, while families, nonprofits and government agencies bear the social and economic consequences of the broke and broken.

In December last year, my son, Xavier, should have celebrated his 29th birthday. But we were not able to celebrate it—or any future birthday he should have had. I lost my son to suicide in May of this year. I had no indication ahead of time that he was in a place whereby he would suddenly take his own life.

I knew that, just over four years after graduating university, he was going through a shift in career goals and also was reconsidering whether he wanted to remain in Columbus, OH. By outward appearances, however, he seemed to be managing this transition, which is not an uncommon state of mind for young people in their late 20s.

What I did not know, until after his death, was that he had lost thousands of his hard-earned money. We spoke by phone at least a few times every week and I had spent the Easter weekend with him in Columbus, just five weeks before his death. However, he kept secret from me the fact that a sports gambling problem had overtaken his life and mind.

Based on the evidence that I have gathered since my son's sudden death, I would argue that online sports gambling is mostly about exploiting and endangering people's lives in the name of this predatory industry's greed and disregard for human life—rather than being about a new way for avid sports fans to enjoy themselves.

Most people are aware that the convenience of the smartphone always in close proximity has fueled the rapid boom in online sports gambling's popularity over just a few years in the U.S. states that have legalized it. Most people, however, are unaware of the insidious ways in which the industry employs this technology to collect personal data—more than 90 different data points, according to one source in this *60 Minutes* documentary (<https://www.youtube.com/watch?app=desktop&v=vDsLu0CWcgk>). Armed with the knowledge of an individual's betting tendencies, the industry cultivates and fuels addiction, directly targeting those that it identifies as emerging problem gamblers.

Horrified as I examined my son's phone in the weeks after his death, I saw first-hand how sports gambling operators offered him free box seat tickets to appealing live, local sports events, addressed directly in personalized texts to him from a "VIP host" and "free" (couple hundred dollar) amounts of gambling money to ensure he remained actively engaged with the multiple gambling apps on his phone.

Still in its early days in this country, online sports gambling is viewed by many as a social activity and therefore in a different category from the stereotypical lone person pouring money into a casino slot machine for hours on end. The \$10,000 bet my son frenetically placed on a (losing) NHL Stanley Cup game team during the last 48 hours of his life was followed by a series of still more frenetic bets placed in isolation on his phone as he tried to win back (chase) his massive loss. It is clear that he died alone.

As for sports enthusiasts such as my son (was during his short time on earth), they are lured into thinking that this activity must be relatively benign because they were raised to consider

sports as wholesome, healthy, social activities. And, the industry knows and exploits this. Much of my son's gambling activity was in the form of "in-play bets," made prior to watching the game on which he had bet in the company of others. But with five sports gambling apps on his phone by the end of his life, he and other gamblers could have multiple bets going at any given time. In this way, they were able to delude themselves when they won that they were drawing on their "skill"—their knowledge of sports.

I urge you, at a minimum, to view the short *Fault Lines* documentary interviewing victims recounting similar experiences: "The Big Gamble: The world of online sports betting in the U.S." <https://youtu.be/fQ9qp9UftEE?si=7Mrc9VGrdX8m4Q2e>

One interviewed victim recalls being "assigned a VIP host" by sports gambling company DraftKings to "keep her in action" through live professional football game tickets and other incentives after she had suffered major gambling losses. This particular victim reportedly emailed her DraftKings "VIP host" that she had reached the point of not being able to pay her mortgage due to losses—only to be offered US\$250 in "free" gambling money in the reply email by the DraftKings "host."

Until he became ensnared by the predatory online sports gambling apps on his phone last year, my son had saved a considerable amount of his earnings, working hard in a professional, full-time job since graduating college in 2019. He lived frugally in a studio apartment that he rented in Columbus. My son never went into credit card debt, but he lost \$41,300 of his hard-earned savings over several months. Paradoxically, because he had supported himself independently and had always been good at earning, managing and saving his own money, the prospect that online gambling had taken over his mind and life was not on my radar screen—until after his death. With tears streaming down my face and looking for answers to the questions around his sudden death, I analyzed my son's phone and accounts after his death, discovering too late the increasingly frenzied sports gambling cash inflow and outflow activity in his savings and checking accounts during the last several months of his life.

Many falsely believe that other vices that have sourced government budgets through their taxes over the decades -- alcohol and tobacco -- are responsible for far more catastrophic harm." According to a team of Australian and Indian psychiatry researchers (<https://pmc.ncbi.nlm.nih.gov/articles/PMC9983450/>), several studies conducted in the U.S. reported that "those with [gambling disorder] GD had the highest suicide rate of any addiction disorder with one in five GD patients having attempted suicide. Similar findings were reported from the UK where those with GD were six times more likely to have suicidal thoughts and 15 times more likely to make a suicidal attempt." Even taking the most cynical and hard-nosed view of the value of human life, this is a revenue-earning model for states that will fail in the short term. According to a recent University of Massachusetts report (<https://www.umass.edu/seigma/documents/2024-social-and-economic-impacts-casino-introduction-massachusetts>; <https://www.umass.edu/public-health-sciences/news/report-summarizes-decade-gambling-research>), "the percentage of casino revenue derived from problem and at-risk gamblers was 90% in 2021-2022." And the evidence is not entirely out on

how the earnings of those most addicted to the new high-octane, always accessible online sports gambling apps add to the state coffers (and coffins). Yes, the only thing in life that's certain is death and taxes. But states can't tax their highest gambling revenue earning sources when they're dead and/or bankrupt.

Proponents of gambling and supporters of the big gambling industry will argue that Americans should be free to choose how they pass their leisure time and spend their earnings -- including in gambling activities, if they so choose. Can the lawmakers reading my testimony really believe that my son—and the other people whose money (and lives) were taken from them due to the predatory nature of the sports gambling industry—lived their prematurely shortened lives “in freedom,” once ensnared by these addictive apps?

I urge Hawaii's lawmakers to oppose H.B. no. 1308, which, by legalizing online sports gambling, in Hawaii would lead to significant human suffering—as has already occurred over the past few years where legal in the U.S.—and as my son endured and as I will continue to endure for the rest of my life.

Sincerely,

Jacqueline Irving

HB-1308-HD-2

Submitted on: 2/22/2025 2:36:10 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Robert Minnick	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair Yamashita and Committee Members:

My name is Rob Minnick and I am in recovery from a gambling addiction. I made my last bet on November 12th of 2022 and I now create content online under the name ODAAT Gambling Awareness in an effort to help others avoid following the same path with their life as I went down with mine.

In my home state of New Jersey, we were one of the first to legalize online sports betting following the 2018 overturn of PASPA by the Supreme Court. I was just graduating high school and going off to college at this time.

Growing up close to the city of Philadelphia, we had a strong love for our sports teams, so when the time came that we turned 18 and got the option to play daily fantasy sports (which in every sense of the word should be deemed gambling, the only reason it is not is so it can be marketed to a younger demographic and get them hooked to the risk reward before they become more valuable customers to squeeze value from at age 21), we took it as an opportunity to make money on the things we already loved doing... Little did we know that wasn't the case.

I very quickly developed a dependency on gambling to the point where I was betting for 6-8 hours a day, and in 2018 I found myself in gambling debt significantly enough that I had to work 80 hours a week in the subsequent months just to scrape back to the even mark financially. This process would repeat itself 5 more times over the following 5 years and I would lose friendships, relationships, my mental and physical health and honestly my sanity.

I viewed gambling as a part time job. I viewed gambling as my sense of meaning in life. I viewed gambling as my one way to prove to the world that I could win. It turned out that I was fighting a losing battle.

When we look at gambling run as a business, or commercialized gambling, the zero-sum nature of it creates a situation where for these billion dollar businesses to win, people like me have to lose.

I understand that it may feel like I'm in the minority here, at least that's what the gambling industry would say, and by the math they could be correct that the majority of players don't get

hooked... But imagine if 5% of your youth became addicted... Is that a number you'd be comfortable with as an opportunity cost here?

What do we do to protect those that do find themselves addicted? Maybe that can be the solution! Well... right now, we tell them to gamble responsibly and call us if they have a problem... Now ask yourself... If your friends, family, and everyone you talk to are talking about their wins, their picks for the game, etc. would you have the courage to call a phone line and tell them you have a problem?

The belief of my support group, Gambler's Anonymous, is that once a gambler becomes a gambling addict we can never go back to "responsible" or "normal" gambling, so telling me to do it responsibly doesn't help me. A gambling addiction is a dependency on the thrill we get from placing bets. If we stop, we can withdraw from it the same way a drug addict would withdraw from using heroin.

I was never asked the question "should we legalize this" in New Jersey... I was just thrown into the fire. You have the chance to keep pandora's box closed here.

When you have gambling as a business in the current climate of how these businesses operate, you are quite literally trading lives for dollars.

Maybe the day will come that this industry can operate in an ethical way where the wellbeing of their players is actually important. But I know for a fact that today... is unfortunately not that day.

The best way to control the damage that's done by gambling and gambling addiction is to prevent it from happening in the first place.

I will continue doing work to help those struggling with a gambling addiction to avoid suffering more than they already have, I truly hope you don't give me more followers with this bill.

Thank you for your time and consideration,

Rob Minnick

@odaatgamblingawareness

HB-1308-HD-2

Submitted on: 2/22/2025 2:54:38 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeannine Johnson	Individual	Oppose	Written Testimony Only

Comments:

At a time when our residents are living paycheck to paycheck, 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, or remain there. All evidence shows that gambling is a loser's game. The only winners in gambling are predatory businesses, while families, nonprofits and government agencies bear the social and economic consequences of the broke and broken.

HB-1308-HD-2

Submitted on: 2/22/2025 7:16:48 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Keith Watanabe	Individual	Oppose	Written Testimony Only

Comments:

I am writing to oppose HB1308 because it will destroy individuals that have problems with addictive behavior.

Once visited Macau prior to it being turned over to China. This was before the big casinos opened up. I noticed that there were many pawn shops in this small area, with some items that were very expensive. Asked some of the pawn shop owners why. They said that lots of Hong Kong residents come over to gamble, proceed to lose all their money & can't afford to go back home. They end up having to pawn their possessions.

HB-1308-HD-2

Submitted on: 2/22/2025 10:19:17 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

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

Comments:

As a citizen committed to the values of personal responsibility, economic freedom, and community well-being—principles that resonate across party lines—I submit this testimony in resolute opposition to HB1308. This bill legalizes and regulates sports wagering, imposing a 10% tax on receipts, but it’s a flawed proposal that risks more harm than good. From a standpoint rooted in practical outcomes over government expansion, I urge you—Republicans and Democrats alike—to **VOTE NO**. Here’s why this bill fails Hawaii.

It Preys on Vulnerable Communities

Legalizing sports betting doesn’t just open a revenue stream—it opens the door to addiction that disproportionately hits low-income families. Studies, like those from the National Council on Problem Gambling, show gambling disorders spike where betting is legalized, with 2-3% of adults affected—often those least able to afford it. Democrats, you’ve fought for social justice and protecting the vulnerable; this bill undermines that by tempting struggling workers with a mirage of quick cash, only to leave them deeper in debt. We should lift people up, not exploit them.

It Drains Local Economies, Not Boosts Them

Proponents claim a 10% tax on sports wagering receipts will fund state needs, but the reality is grimmer. Most profits flow to out-of-state gaming corporations—entities required to operate in at least three U.S. jurisdictions—while local businesses see little gain. A 2021 University of Nevada study found legalized sports betting shifts spending away from retail and small businesses, weakening Main Street. Democrats, you champion local jobs and economic equity—why back a bill that funnels money to corporate giants instead of Hawaii’s working families?

It Overburdens Government with Hidden Costs

This bill creates a sprawling regulatory framework—licenses costing \$250,000 for operators and \$10,000 for suppliers, plus a Problem Gambling Fund—under the Department of Commerce and Consumer Affairs. But the costs don’t stop there. Increased addiction means more strain on public health, law enforcement, and social services. A 2019 Florida study estimated gambling-related societal costs at \$13,000 per problem gambler annually. Democrats, you’ve pushed for efficient government that serves people—why saddle taxpayers with a bureaucracy that cleans up a mess we don’t need?

It Ignores Proven Alternatives for Revenue

We all want funds for schools and healthcare, but sports betting isn't the answer. President Trump's economic playbook showed cutting red tape and boosting small businesses can grow revenue without new vices—federal tax receipts rose 10% from 2017-2019 through growth, not gimmicks. Democrats, you've advocated taxing wealth hoarders and closing loopholes—why pivot to a regressive gambling tax instead of fairer options? This bill bets on addiction, not prosperity, and that's a losing wager for Hawaii.

It Threatens Our Shared Values of Responsibility

Committee members, we agree Hawaii thrives when its people do—Republican calls for personal accountability and Democratic pushes for community support align here. HB1308 undermines both by normalizing a culture of chance over hard work. With a 10% tax luring us to profit off others' losses, it erodes the dignity of earning a living. **VOTE NO** to reject this shortsighted scheme. Let's build a stronger, fairer state through policies that unite us—not divide us with empty promises and hidden risks.

HB-1308-HD-2

Submitted on: 2/22/2025 10:19:22 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

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

Comments:

Chair Yamashita, Vice Chair Takenouchi, and FIN Committee Members:

I write in strong support of HB 1308, HD 2, which would authorize online sports wagering.

30 states currently 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 and provide more revenue needed for ongoing public spending priorities.

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 dedication of such resources to entertainment options that they find to be suitable.

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

Mahalo for the opportunity to provide testimony.

HB-1308-HD-2

Submitted on: 2/23/2025 7:58:45 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
kamakani de dely	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-1308-HD-2

Submitted on: 2/23/2025 8:04:41 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mallory De Dely	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-1308-HD-2

Submitted on: 2/23/2025 8:34:42 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Yoshinaga	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

HB-1308-HD-2

Submitted on: 2/23/2025 8:55:43 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ruben Ongos	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose this bill

HB-1308-HD-2

Submitted on: 2/23/2025 9:15:17 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Gregory Misakian	Individual	Oppose	Remotely Via Zoom

Comments:

I oppose HB1308 HD2, and ask that you please stop amending and just say no to legalizing sports betting.

First, in case anyone hasn't noticed, Hawaii seems to be that place that everyone likes to do things illegally, and even when legalizing one element of something, like fireworks, the general population still can't seem to control themselves and comply.

Second, just look at all the pay-to-play endeavors, at DPP, at the legislature, and many other places. Legalizing gambling will offer an addictive, dangerous, and legal pay-to-play gambling option that will most likely see children and families suffer, when an addicted father starts gambling often and losses the rent money and grocery money.

Third, putting anything new under the DCCA is just further showing that our legislators don't see that the DCCA doesn't do a good job overseeing what they currently have. They can't even properly regulate management companies that oversee condominium associations, or provide any proper enforcement and penalties, so how could they ever regulate something like gambling.

I respectfully ask our legislators to please stop pushing this bill through, and please protect the families and keiki of Hawaii.

Mahalo,

Gregory Misakian

HB-1308-HD-2

Submitted on: 2/23/2025 9:43:42 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
L Miles	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB1308. We do not need to have any betting in Hawaii as it leads to moral decay along with crime and deterioration of the communities.

Please vote "NO" on this bill.

Thank you.

HB-1308-HD-2

Submitted on: 2/23/2025 9:54:19 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

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

Comments:

Aloha,

I oppose HB1308. This bill will be an absolute disaster for the State of Hawaii. Please vote no. Thank you.

Noela von Wiegandt

HB-1308-HD-2

Submitted on: 2/23/2025 9:59:28 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandon Makaawaawa	Individual	Oppose	In Person

Comments:

Testimony in opposition to HB1308, Vice President Brandon Maka'awa'awa

As the Vice President of the Nation of Hawai'i, I am writing to express our strong opposition to House Bill 1308, which proposes the regulation of sports wagering within our state. The introduction of legalized sports wagering is premature at this state. I believe we need to first understand how much is to be gained economically which most experts from prior hearings can't really say for certain. If we are to implement online gaming without knowing the pros and the cons I feel like we are setting up our state and people for failure.

Historically, the Hawaiian people have faced numerous challenges, including economic hardships and social disparities. Legalized gambling has the potential to exacerbate these issues by promoting addictive behaviors, leading to financial instability, and undermining the social fabric of our communities.

Furthermore, the proliferation of gambling establishments may lead to the exploitation of our cultural heritage, as these venues might capitalize on Native Hawaiian themes to attract tourists, thereby commodifying and misrepresenting our traditions.

We need only look to the failure of 893 - the law that sought to legalize other forms of gambling - to see the dangers of such measures. Like 893, sports betting should be met with the same fate: rejection.

At this point with all the facts presented I urge the legislature to consider alternative economic development strategies that align with the values and long-term interests of all Hawai'i residents, especially the indigenous population.

Me Ke Aloha Pūmehana,

Brandon Maka'awa'awa

Vice President, Independent & Sovereign Nation State Of Hawai'i

HB-1308-HD-2

Submitted on: 2/23/2025 10:06:04 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ryan Willis	Individual	Oppose	Written Testimony Only

Comments:

I strongly Oppose

HB-1308-HD-2

Submitted on: 2/23/2025 1:30:22 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Stanley Mendes	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose HB1308

OPPOSE sports wagering - HB1308 & SB1569

A TURD IS STILL A TURD

February 24, 2025

Elected leaders:

As someone who has enjoyed social gambling with friends, even I know this is BAD for our state.

Are we that desperate and stupid to even consider this bill? Where does someone get the idea that you can take something that is illegal, immoral and a detriment to society, and then legalize it and repackage it as a good thing. Call it what you want...a turd in a \$5,000 suit is still a stinkin' turd.

What's next on the state's agenda to create revenue? Prostitution is illegal, immoral and a detriment. Drugs are illegal, immoral and a detriment. Are we looking to legalize prostitution and drugs?

We elected you to protect our way of life and safety. Hawaii is a special and unique place thanks to previous elected leaders who wisely kept gambling out of our state. And now you are willing to trade that for money and sell us programs that will supposedly "soften" the damage it does, aka gamblers anonymous...HOW STUPID IS THAT! THINK ABOUT IT.

There's only one outcome for legalizing sports gambling:

Corporations = WINNERS

People of Hawaii, aka future gambling addicts = generations of LOSERS

Representatives of the people, I strongly urge you to oppose HB1308 and SB1569.

If we compromise our morals and values for short term gains and don't consider the long term consequences, then we are FOOLS and deserve what will befall us. There's a reason why they say money is the root of all evil.

Mahalo,

John Otto

HB-1308-HD-2

Submitted on: 2/23/2025 9:08:20 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Tim Huycke	Individual	Support	Written Testimony Only

Comments:

I support HB 1308.

HB-1308-HD-2

Submitted on: 2/23/2025 9:57:08 PM

Testimony for FIN on 2/24/2025 10:00:00 AM

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

Comments:

****Testimony in Opposition to HB1308 – Relating to Sports Wagering****

Aloha Honorable Members of the House of Representatives,

I am writing to respectfully voice my opposition to HB1308, a bill that seeks to legalize and regulate sports wagering in Hawaii under the oversight of the Department of Commerce and Consumer Affairs. While I appreciate the intent to generate revenue and modernize state policies, I believe this legislation poses significant risks to the social fabric, economic stability, and cultural values of our islands. Below, I outline my concerns regarding the potential impacts of legalized sports wagering.

First and foremost, legalizing sports wagering threatens to exacerbate gambling addiction and its associated harms, particularly in a state already grappling with limited resources for mental health and social services. Hawaii’s residents, many of whom face high living costs and economic pressures, may be especially vulnerable to the allure of quick financial gains through betting. Studies consistently show that gambling legalization leads to increased rates of problem gambling, which can result in financial ruin, family breakdowns, and heightened demand for public assistance. The bill’s provision for a problem gambling prevention and treatment special fund is a step in the right direction, but the unspecified percentage of tax revenue allocated to it raises doubts about its adequacy to address the scale of potential harm.

Second, the introduction of sports wagering could undermine the integrity of sports and community values that Hawaii holds dear. Sports—whether amateur, collegiate, or professional—are a source of pride, unity, and cultural expression for our people. Allowing wagers on these events risks shifting the focus from enjoyment and competition to profit and speculation. Moreover, the bill’s broad definition of "wagering events" includes e-sports and amateur sports, potentially exposing younger populations to gambling influences at an early age, despite the 21-and-over restriction for bettors. This could normalize gambling behavior and erode the spirit of aloha that defines our community.

Third, the economic benefits promised by sports wagering are uncertain and may not outweigh the costs. The bill imposes a 10% tax on adjusted gross sports wagering receipts, yet it provides no clear estimate of projected revenue or how it will offset the administrative burden on the Department of Commerce and Consumer Affairs, let alone the broader societal costs of addiction and crime. Hawaii’s tourism-driven economy already thrives without relying on gambling;

introducing sports wagering could divert spending from local businesses—such as restaurants, shops, and cultural attractions—to out-of-state operators, many of whom qualify as "qualified gaming entities" under the bill. This could result in a net economic loss rather than a gain for our state.

Finally, the bill's effective date of July 1, 3000, suggests it is a placeholder for future action, but its introduction now signals a troubling shift in legislative priorities. Hawaii has historically resisted gambling expansion to preserve its unique identity and protect its people. Legalizing sports wagering breaks with this tradition and opens the door to further gambling proliferation, which could fundamentally alter the character of our state. I urge the Legislature to consider alternative revenue sources—such as sustainable tourism initiatives or renewable energy investments—that align with Hawaii's values and long-term prosperity.

In conclusion, HB1308's legalization of sports wagering poses serious risks to Hawaii's residents, cultural heritage, and economic health. I respectfully request that you vote against this bill and reaffirm our commitment to a future that prioritizes the well-being of our people over the uncertain promises of gambling revenue. Mahalo for your time and consideration.

Sincerely,

Tiare Smith

HB-1308-HD-2

Submitted on: 2/24/2025 12:19:19 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
TERI SAVAIINAEA	Individual	Oppose	Written Testimony Only

Comments:

Chair Yamashita, Vice-Chair Takenouchi and Committee Members,

I oppose HB1308 HD2.

Kind regards,

Teri Kia Savaiinaea

District 45, Wai'anae resident

HB-1308-HD-2

Submitted on: 2/24/2025 1:32:52 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

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

Comments:

I strongly oppose HB1308. Please read Jacqueline Irving's testimony about the tragic suicide of her son, and you will understand the importance of rejecting this bill.

In addition, please respect 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.

The State Attorney General says 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-2

Submitted on: 2/24/2025 4:50:34 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alika Valdez	Individual	Support	Written Testimony Only

Comments:

I support this bill.

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

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**THE HONORABLE KYLE T. YAMASHITA, CHAIR
HOUSE COMMITTEE ON FINANCE
Thirty-Third State Legislature
Regular Session of 2025
State of Hawai'i**

February 24, 2025

RE: H.B. 1308 H.D.2; RELATING TO SPORTS WAGERING.

Chair Yamashita, Vice-Chair Takenouchi, and members of the House Committee on Finance, 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. 2.

The purpose of H.B. 1308 H.D. 2 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 gambling is harming consumer financial health by increasing their level of debt.” This study

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

found that there was a 25-30% increase in likelihood of bankruptcy filings. The ease of access that H.B.1308 H.D. 1 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. 2. 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

HB-1308-HD-2

Submitted on: 2/24/2025 9:04:19 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

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

Comments:

I am in strong opposition of this bill.



LATE * Testimony submitted late may not be considered by the Committee for decision making purposes.

Iron Workers Stabilization Fund

T. George Paris
Managing Director

February 24, 2025
10:00 am

House Committee on Finance

CR 308 & Videoconference

Re: Support for HB1308HD2-Gambling:Sports Wagering: Fantasy Sports: DBEDT

Aloha Chair, Yamashita, Vice-Chair Takenouchi and members of House Committee on Finance

The Ironworkers Stabilization Fund respectfully submits this testimony in strong support of the legalization of sports wagering within the State of Hawaii.

The urgency of this matter is underscored by the 2024 ALICE (Asset Limited, Income Constrained, Employed) report, which reveals a deeply concerning trend: approximately 180,000 Hawaii residents are actively considering relocation due to escalating financial pressures. This potential exodus poses a significant threat to our state's workforce stability and the integrity of our communities, forcing families to make the difficult decision to leave their homes.

Furthermore, Hawaii is currently navigating a period of fiscal constraint, exacerbated by recent budget reductions. With a substantial portion of our state budget, roughly 20%, reliant on federal funding, we face a precarious financial landscape that demands proactive and sustainable solutions.

The legalization of sports wagering presents a viable strategy for economic diversification and long-term fiscal stability. The implementation of a regulated sports wagering would generate a new, reliable source of tax revenue. This revenue stream can be allocated to address the rising cost of living, bolster critical public services such as education, healthcare, and infrastructure, and stimulate job creation. We must prioritize innovative approaches to keep our people home. The departure or potential departure of Native Hawaiians and long-term residents represents a significant cultural loss.

We acknowledge the concerns regarding the potential impact of sports wagering on Hawaii's cultural fabric. However, we contend our population drop of 15,000 residents a year is already precipitating a profound cultural shift. Moreover, the unregulated and illegal gambling within our communities for over 50 years needs a regulated framework to mitigate its negative impacts. For too long we have kept the pennies home and watched the dollars fly away. 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-2

Submitted on: 2/24/2025 9:38:18 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dwayne Bautista	Individual	Support	Written Testimony Only

Comments:

Chair Yamashita , Vice Chair Takenouchi, and members of the committee, my name is Dwayne Bautista and thank you for the opportunity to provide testimony in STRONG SUPPORT of HB 1308 HD2, Relating to Sports Wagering.

Hawai‘i is facing critical needs, particularly in funding education and essential programs like childcare and addressing homelessness. We urgently require new and sustainable revenue streams to support these vital services. This bill offers a promising avenue to achieve that.

We can look on Maine as a compelling example. Maine shares similarities with Hawai‘i in population and economic structure. Their experience with online sports wagering demonstrates its potential. In just the first six months of operation, Maine generated a remarkable \$239 million in wages, resulting in an estimated \$6 million in new revenue within the first year. This clearly illustrates the financial benefits that sports wagering can bring.

Beyond the revenue generation, HB 1308 HD2 will create valuable job opportunities, particularly in the technology sector. This will contribute to our local economy and provide skilled employment for our residents.

The revenue generated from the taxes on sports wagering will directly benefit Hawai‘i. It will provide crucial funding for our essential programs, allowing us to invest in our future. Furthermore, this initiative will provide our residents with the opportunity to supplement their income, which is particularly critical in today's challenging economic climate, where many struggle to afford necessities.

In conclusion, HB 1308 HD2 represents a responsible and beneficial approach to generating much-needed revenue for Hawai‘i. I urge you to support this bill and help us secure a brighter future for our state. Thank you.

HB-1308-HD-2

Submitted on: 2/24/2025 9:48:02 AM

Testimony for FIN on 2/24/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Lyle HIromoto	Individual	Support	Written Testimony Only

Comments:

I support.