

JOSH GREEN, M.D. GOVERNOR | KE KIA'ÄINA

SYLVIA LUKE LIEUTENANT GOVERNOR | KA HOPE KIA'ÄINA

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

KA 'OIHANA PILI KĀLEPA 335 MERCHANT STREET, ROOM 310 P.O. BOX 541 HONOLULU, HAWAII 96809 Phone Number: (808) 586-2850 Fax Number: (808) 586-2856 cca.hawaii.gov 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 Senate Committee on Economic Development and Tourism and Senate Committee on Commerce and Consumer Protection February 13, 2025 3:00 PM

> On the following measure: S.B. 893, S.D.1, RELATING TO ECONOMY

Chairs DeCoite, Keohokalole 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) grant a twenty-year license for casinos in the New Aloha Stadium Entertainment District and Hawaii Convention Center; (2) establish a Hawaii Gaming Control Commission; (3) impose fifteen per cent wagering tax on gross receipts; (4) establish the State Gaming Fund and Compulsive Gambler Program; and (5) appropriates funds.

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 casino gaming presents unique challenges that may conflict with our existing mandate. Casino gaming, by its nature,

Testimony of DCCA S.B. 893, S.D.1 Page 2 of 2

carries inherent risks for consumers, including the potential for gambling addiction, financial hardship, and related social issues. While this measure includes some provisions for regulation, the Department questions whether the proposed structure adequately addresses these complex consumer protection challenges and the resources required to mitigate them effectively.

In addition, the proposed regulatory structure raises concerns. Placing the Gaming Control Commission within the Department for administrative purposes may result in regulatory overlap and inefficiencies. This structure could strain existing resources and infrastructure, requiring significant investment in personnel, technology, and expertise to function effectively. The Department would like to urge the legislature to consider alternative approaches to the organizational structure of the Gaming Control Commission. Establishing the commission as an independent agency could help ensure its autonomy and prevent conflicts with existing mandates.

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

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

Thank you for the opportunity to testify on this bill.



ON THE FOLLOWING MEASURE:

S.B. NO. 893, S.D. 1, RELATING TO THE ECONOMY.

BEFORE THE:

SENATE COMMITTEES ON ECONOMIC DEVELOPMENT AND TOURISM AND ON COMMERCE AND CONSUMER PROTECTION

DATE:	Thursday, February 13, 2025	TIME: 1:03 p.m.
LOCATION:	State Capitol, Room 229	
TESTIFIER(S): Anne E. Lopez, Attorney Kory W. Young, Deputy A	-

Chairs DeCoite and Keohokalole and Members of the Committees:

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

The purposes of this bill are to: establish the Hawaii Gaming Control Commission (Commission) within the Department of Commerce and Consumer Affairs; authorize the Commission to issue a twenty-year casino license to operate a casino facility; authorize a limited gaming operation in the Hawaii Convention Center and in one casino facility in the New Aloha Stadium Entertainment District; establish criteria for the award of a casino license; establish criteria for supplier's licenses, occupational licenses, and temporary supplier and occupational licenses; impose a fifteen percent wagering tax on monthly gross receipts received from casino gaming; establish a state gaming fund and a compulsive gambler program; exempt casino gaming from part III of chapter 712, Hawaii Revised Statutes; and appropriate funds for the operations of the Commission.

The Department opposes this bill because it may lead to the well-studied public health and safety issues that come with legalization of casino gambling. Studies in the United States and abroad have shown that legalized casino gambling results in adverse societal impacts, high costs to address those adverse impacts, and increased crime. In the United States, the opening of even a single casino has been shown to have a substantial negative impact on public safety and welfare. A nationwide study in 2004 found a sharp increase in crime after the opening of a new casino, with additional Testimony of the Department of the Attorney General Thirty-Third Legislature, 2025 Page 2 of 4

growth in crime rates over time.¹ Overall, that study found that approximately eight percent of crime in "casino counties" was attributable to the casinos, resulting in an average cost of approximately \$75 per adult. Another study indicated that the opening of a new Indian-owned casino resulted in a ten percent increase in violent crime, auto thefts, and larceny, as well as an increase in bankruptcies in the area by approximately ten percent.² Notably, crime in the surrounding communities also increased, suggesting an overall increase in aggregate crime, rather than just switching from one community to the next.³

Abroad, Macao experienced a 52.6% increase in reported crimes between 2002 and 2008 (following the liberalization of casino licensing in 2002), from 9,088 to 13,864⁴, and experienced a 26.6% increase in the number of high school drop-outs in the same period, from 1,886 to 2,388.⁵ Another study on Macao estimated that the overall social costs of gambling increased by 163% between 2003 and 2007, from an original expense of \$40 million to \$106 million.⁶ This was based on seven areas of social impact: treatment costs; prevention costs; family and friends physical and psychological costs; legal costs; rent-seeking costs; regulatory expenses; and the public costs of training, promotion and research.⁷

² Melissa Schettini Kearney, *The Economic Winners and Losers of Legalized Gambling*, Brookings Institution (February 2005), available online at <u>https://www.brookings.edu/wp-content/uploads/2016/06/200502kearney.pdf</u>.

¹ Earl L. Grinols and David B. Mustard, *Casinos, Crime, and Community Costs*, Review of Economics and Statistics (February 2006), available online at https://www.nh.gov/gsc/calendar/documents/20091117 grinols mustard.pdf.

³ Id.

⁴ Wan, Y.K.P., Li, X.C., and Kong, W.H., "Social impacts of casino gaming in Macao: A qualitative analysis," Tourism: An Interdisciplinary Journal, Vol. 59, No. 1, 2011, p. 72. Available online at <u>https://hrcak.srce.hr/file/101945</u>; last accessed February 11, 2025. ⁵ *Id*. at 71.

⁶ Fong, D.K.C., Fong, H.N., and Li, S.Z., "The social cost of gambling in Macao: Before and after liberalization of the gaming industry," International Gambling Studies, Vol. 11, No. 1 (2011), pp. 43-56. Abstract available online at:

https://www.tandfonline.com/doi/full/10.1080/14459795.2010.548393?scroll=top&needA ccess=true; last accessed February 11, 2025.

⁷ *Id. Also* see Wu, Shou-Tsung and Chen, Yeong-Shyang, "The social, economic and environmental impacts of casino gambling on the residents of Macau and Singapore," Tourism Management, Vol. 48 (June 2015), pp. 285-298, Section 2.1, Social Impacts.

Testimony of the Department of the Attorney General Thirty-Third Legislature, 2025 Page 3 of 4

Another study, comparing multiple communities in New South Wales, showed that every 10% increase in electronic gambling machine profits correlated to a 7.4% increase in assaults, a 10.5% increase in breaking and entering into dwellings, a 10.3% increase in breaking and entering into non-dwellings, an 11% increase in motor vehicle thefts, an 8.2% increase in stealing from motor vehicles, and a 7.4% increase in fraud.⁸

Locally, a study commissioned by the Hawaii State Commission on the Status of Women (HSCSW) found a serious risk of increased sex trafficking in our community if a casino were built here, when similar bills were proposed in 2021.⁹ The study found that "[i]n 2020, Child and Family Service . . . identified 97 sex trafficking victims among its clients through the first statewide survey of its kind" and "[t]he majority of the victims (64%) identified as Native Hawaiian."¹⁰ Another community-based service provider, Susannah Wesley Community Center, reported a 65% increase in the number of people needing sex trafficking-specific therapy, during the COVID-19 pandemic alone.¹¹

As pointed out in the HSCSW study, casinos would be expected to attract large numbers of men with disposable income, and a 2010 federal study found that "casino patrons were 17% more likely than the average survey respondent to have paid for sex in the past year."¹² Moreover, indigenous women are particularly susceptible to victimization and already account for a majority of known sex trafficking victims in Hawaii.¹³

¹² *Id*.

Available online at:

https://www.sciencedirect.com/science/article/pii/S0261517714002441; last accessed February 11, 2025.

⁸ Wan, Yin Wan, Ph.D., Wang, Joanna D., Ph.D., and Weatherburn, Donald J., Ph.D, "Does Gambling Expenditure Have Any Effect on Crime?" Available on at: https://onlinelibrary.wiley.com/doi/10.1111/add.16648.

⁹ Hawai'i State Commission on the Status of Women, "Gambling With Women's Safety: A Feminist Assessment of Proposed Resort-Casino," January 26, 2021. Available online at <u>https://humanservices.hawaii.gov/wp-content/uploads/2021/02/1.26.21-r2.1.21-GIS-FINAL_DHHL-Casino.pdf</u>; last accessed February 4, 2021.

¹⁰ *Id*. at 3.

¹¹ *Id*. at 4.

¹³ *Id*. at 5-6.

Testimony of the Department of the Attorney General Thirty-Third Legislature, 2025 Page 4 of 4

On a more granular level, the studies cited above have also shown a correlation between casino gambling and domestic violence, divorce, bankruptcy, drug and alcohol use, and risky or illicit sexual behavior.

In conclusion, the Department is gravely concerned about the harmful impacts that legalization of casino gambling will have on our community and respectfully requests that this bill be held.

Thank you for the opportunity to testify.

Josh Green, M.D. Governor

Sylvia Luke Lt. Governor

JAMES KUNANE TOKIOKA DBEDT DIRECTOR

DANE K. WICKER DBEDT DEPUTY DIRECTOR



An Agency of the State of Hawaii

Statement of CHRIS J. SADAYASU Interim Stadium Manager

Stadium Authority

Department of Business, Economic Development, and Tourism before the

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM and SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

Thursday, February 13, 2025 1:03PM State Capitol, Conference Room 229

In consideration of S.B.893 SD1 RELATING TO THE ECONOMY

Chairs DeCoite and Keohokalole, Vice Chairs Wakai and Fukunaga and members of the Committees.

The Stadium Authority offers the following comments on Senate Bill 893 SD1, which proposes to establish a Hawaii Gaming Control Commission and grants twenty-year licenses for casinos in the New Aloha Stadium Entertainment District (NASED) and Hawai'i Convention Center.

The Stadium Authority is currently negotiating a Master Development Agreement and Stadium Development and Operations Agreement with Aloha Halawa District Partners (AHDP) for the construction of the new aloha stadium and development of the surrounding NASED project. One of the requirements under the agreements is for AHDP to operate and maintain the new stadium for 30 years. If the NASED project is able to incorporate casinos in the NASED project that generate revenues from legal

BRENNON T. MORIOKA CHAIR, STADIUM AUTHORITY

> CHRIS J. SADAYASU INTERIM STADIUM MANAGER

S.B. 893 SD1 (EDT/CPN) February 13, 2025 Page 2

gaming activities within the NASED project, AHDP will be able to use this revenue source to meet its stadium maintenance and repair obligations. We look forward to collaborating with the Hawaii Gaming Control Commission to further explore this opportunity for the NASED Project.

Thank you for the opportunity to testify.

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE LIEUTENANT GOVERNOR

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



LUIS P. SALAVERIA DIRECTOR

SABRINA NASIR DEPUTY DIRECTOR

STATE OF HAWAI'I DEPARTMENT OF BUDGET AND FINANCE Ka 'Oihana Mālama Mo'ohelu a Kālā P.O. BOX 150 HONOLULU, HAWAI'I 96810-0150

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 SENATE COMMITTEES ON ECONOMIC DEVELOPMENT AND TOURISM AND COMMERCE AND CONSUMER PROTECTION

ON

SENATE BILL NO. 893, S.D. 1

February 13, 2025 1:03 p.m. Room 229 and Videoconference

RELATING TO THE ECONOMY

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

Senate Bill (S.B.) No. 893, S.D. 1, adds a new chapter to the HRS to:

1) establish the Hawai'i Gaming Control Commission (HGCC), administratively attached to the Department of Commerce and Consumer Affairs (DCCA), to issue one 20-year casino license each for the Hawai'i Convention Center and the New Aloha Stadium Entertainment District; 2) establish a 15% wagering tax on the monthly gross receipts from casino gaming, in lieu of the General Excise Tax (GET) and Public Service Company Tax (Corporate Tax), with up to 2% of collections deposited into a new State Gaming Fund (SGF) and the remainder deposited to the credit of the general fund; 3) establish the SGF to fund the Department of Education, a Compulsive Gamblers Program, public security at casino facilities, and the administrative expenses of HGCC; 4) require each gambling licensee to pay a one-time license issuance fee of \$150,000,000 to the credit of the general fund, \$75,000,000 of which is to be paid prior to issuance and \$75,000,000 of which is to be paid one year after issuance, provided that the latter installment shall be credited to the licensee's wagering tax liability over an amortized ten-year period; and 5) implement various other provisions pertaining to gaming. Additionally, the bill appropriates \$5,000,000 in general funds for FY 26 and FY 27 to fund the HGCC, provided the casino licensee shall reimburse the State for \$5,000,000 by the casino's first day of operation, which shall be credited against the licensee's casino license application fee and wagering tax liability.

Although this bill does not specify the means of financing for the proposed SGF, B&F notes similar funds that collect tax revenues are typically classified as special funds. 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 S.B. No. 893, S.D. 1, it is difficult to determine whether the proposed SGF will be self-sustaining.

B&F defers to the Department of Taxation (TAX) on the tax revenue projections and general fund impact of S.B. No. 893, S.D. 1, 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 wagering tax be set at a parity to, if not higher

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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.

Furthermore, B&F notes Nevada collected \$1.23 billion in gaming tax and fee revenue in FY 24 through a significantly more complex taxation scheme than what is being proposed by this bill. Not only does Nevada impose a 6.75% tax on gross gaming revenues over \$134,000, but it also imposes licensing fees on each slot machine in operation and each gambling game played, in addition to various other taxes and fees on related activities such as live entertainment at gaming facilities. Given the proposed 15% wagering tax would be in lieu of the GET (4.712% in the City and County of Honolulu) and Corporate Tax (up to 6.4%), it is unclear if this tax rate, the \$150,000,000 licensing fee for each of the two casino licensees every 20 years, and other fees, less the credits to be claimed by the licensees, would generate sufficient revenues to regulate the proposed gaming industry in Hawai'i.

Finally, B&F notes this bill does not authorize position counts for the HGCC's Executive Director and staff and defers to DCCA and TAX on the programmatic merits of this bill.

Thank you for your consideration of our comments.

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

ALII PLACE 1060 RICHARDS STREET • HONOLULU, HAWAI'I 96813 PHONE: (808) 768-7400 • FAX: (808) 768-7515 • WEBSITE: www.honoluluprosecutor.org

STEVEN S. ALM PROSECUTING ATTORNEY LOIO HO'OPI'I



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

THE HONORABLE LYNN DECOITE, CHAIR SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

AND

THE HONORABLE JARRETT KEOHOKALOLE, CHAIR SENATE COMMITTEE ON COMMERCE AND COMSUMER PROTECTION Thirty-Third State Legislature Regular Session of 2025 State of Hawai`i

February 13, 2025

RE: S.B. 893 S.D.1; RELATING TO ECONOMY.

Chairs DeCoite and Keohokalole, Vice-Chairs Wakai and Fukunaga, and members of the Senate Committees on Economic Development and Tourism and Commerce and Consumer Affairs, the Department of the Prosecuting Attorney of the City and County of Honolulu ("Department") submits the following testimony in <u>strong opposition</u> of S.B. 893 S.D.1.

The purpose of S.B. 893 S.D.1 is to create economic growth by legalizing an activity that is currently illegal in the State of Hawai'i. Gambling is illegal here for good reason. To date, multiple studies show a clear correlation between casinos and increased crime and societal ills among their surrounding community. Whether it is casino gambling or online gambling, gambling is shown to have negative effects on communities who have legalized it. The National Council on Problem Gambling "estimates that about 2.5 million adults in the U.S. have severe problems and another 5 to 8 million have significant issues."¹

Even the opening of a single casino has been shown to have a substantial negative impact on public safety and welfare. A nationwide study in 2004 found a sharp increase in crime after

¹ See <u>Gambling problems are mushrooming</u>. Panel says we need to act now.

With recent leap in legalized sports betting and online options, public health experts outline therapeutic, legislative strategies; The Harvard Gazette; January 28, 2025; https://news.harvard.edu/gazette/story/2025/01/online-gambling-is-on-the-rise-panel-says-we-need-to-act-now/.

the opening of any new casino, with a relatively low effect shortly after the casino opens, which grows over time. Overall, the study calculated that approximately 8% of crime in "casino counties" was attributable to the casino, resulting in an average social cost of approximately \$75 per adult. Another study indicated that—nationwide—the opening of a new Indian-owned casino resulted in a 10% increase in violent crime, auto thefts, larceny & bankruptcies in the area. Notably, crime in the surrounding communities also increased, suggesting an overall increase in aggregate crime, rather than just switching from one community to the next.

Locally, a study was commissioned by the Hawai'i State Commission on the Status of Women ("HSCSW"), in 2021 when S.B. 1321 proposed to legalize the building of a casino on Hawaiian Homelands. This study points to the serious risk of increased sex trafficking in our community, if a casino were built in Hawai'i.² "In 2020, Child and Family Services...identified 97 sex trafficking victims among its clients," statewide; this spanned five different islands, and "[t]he majority of the victims (64%) identified as Native Hawaiian."³ Another community-based service provider, Susannah Wesley Community Center, reported a 65% increase in the number of people needing sex trafficking-specific therapy, during the COVID-19 pandemic alone.⁴

Seeing that Hawai'i's sex trafficking industry is clearly subject to increase, given changes in the economic climate, one can only infer that adding a casino into the mix would further exacerbate this already staggering problem. As pointed out in the HSCSW report, casinos would be expected to attract large numbers of men with disposable income, and a 2010 federal study found that "casino patrons were 17% more likely than the average survey respondent to have paid for sex in the past year."⁵ Moreover, indigenous women are particularly susceptible to victimization, and already account for a majority of known sex trafficking victims in Hawai'i, yet the proposed casino is anticipated to be located near one of the largest Native Hawaiian communities in Hawai'i.⁶

On a more granular level, multiple studies—including the HSCSW report—have also shown a correlation between casino gambling and domestic violence, divorce, bankruptcy, drug and alcohol use, and risky or illicit sexual behavior.⁷ Legalizing a casino will require an increase in resources to address these public health issues that will increase once gambling is legalized.

Lastly, a casino will take up a very precious resource—land. Land that could be used for affordable housing to help our kama'āina afford to live, work, and raise families here at home.

For all of the foregoing reasons, the Department of the Prosecuting Attorney of the City and County of Honolulu **<u>strongly opposes</u>** the passage of S.B. 893 S.D.1. Thank you for the opportunity to testify on this matter.

² Hawai'i State Commission on the Status of Women, "Gambling With Women's Safety: A Feminist Assessment of Proposed Resort-Casino," January 26, 2021. Available online at <u>https://humanservices.hawaii.gov/wp-content/uploads/2021/02/1.26.21-r2.1.21-GIS-FINAL_DHHL-Casino.pdf;</u> last accessed February 4, 2021.

 ³ *Id*, at page 3.
⁴ *Id*, at page 4.

⁵ *Id*, at page 4. Internal references omitted.

 $^{^{6}}$ Id, at pages 5-6.

⁷ *Id*, at page 3. *See also* Wu, Shou-Tsung and Chen, Yeong-Shyang, "The social, economic and environmental impacts of casino gambling on the residents of Macau and Singapore," Tourism Management, Vol. 48 (June 2015), pp. 285-298, Section 2.1, Social Impacts. Internal citations deleted. Available online at: https://www.sciencedirect.com/science/article/pii/S0261517714002441; last accessed February 3, 2021.



Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair Committee on Economic Development and Tourism

Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair Committee on Commerce and Consumer Protection

Hawaii State Capitol Honolulu, Hawaii 96813

Thursday, February 13, 2025 – 1:03 p.m. Conference Room 229 & Videoconference

RE: SB 893 SD1 – Relating to the Economy – Comments

Aloha Chairs DeCoite and Keohokalole, Vice Chairs Wakai and Fukunaga and members of the Committees:

Boyd Gaming appreciates the opportunity to provide comments on SB 893 SD1, which grants twenty-year licenses for casinos in the New Aloha Stadium Entertainment District and Hawaii Convention Center, establishes the Hawaii Gaming Control Commission, imposes fifteen per cent wagering tax on gross receipts, establishes the State Gaming Fund and Compulsive Gambler Program and appropriates funds.

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 we appreciate the intent of SB 893 SD1, we believe that the state would be better suited to consider a holistic, comprehensive gaming policy framework, rather than consider individual components of gaming policy separately. For that reason, we prefer SB 891 SD1, which establishes a working group to study a comprehensive gaming framework, and believe that bill is an appropriate first step for the Legislature to take before passing any gaming policy legislation. Given that Hawai'i currently does not have any form of legalized gaming, the state has a unique opportunity to create a comprehensive gaming policy framework that is specifically tailored to Hawai'i's unique culture and tourism economy. The data, information and analysis done by the working group will be critical to help shape public policy for the Legislature to consider that will serve as a catalyst of economic activity, employment, investment, and state and local tax revenue. Any gaming policy considered in Hawai'i should be complementary and additive to Hawai'i's existing robust tourism and hospitality industry. However, if done correctly, the main focus of gaming policy should not be solely to authorize gaming, but drive significant private capital investment to build upon and enhance Hawai'i's existing tourism infrastructure while supporting local priorities. The working group established by SB 891 SD1 could establish a comprehensive framework to best position Hawai'i to take advantage of the intersection of tourism, sports, entertainment and gaming as part of the state's own "Fun Economy."

Boyd Gaming appreciates the opportunity to submit comments on this measure.

STANFORD CARR DEVELOPMENT, LLC

February 12, 2025

The Honorable Lynn DeCoite, Chair The Honorable Glenn Wakai, Vice Chair and Members of the Senate Committee on Economic Development and Tourism

The Honorable Jarrett Keohokalole, Chair The Honorable Carol Fukunaga, Vice Chair and Members of the Senate Committee on Commerce and Consumer Protection

Re: Testimony: SB 893, SD1 Relating to the Economy Hearing: February 13, 2025, at 1:03 PM in Conference Room 229

Dear Chair DeCoite, Chair Keohokalole, Vice Chair Wakai, Vice Chair Fukunaga, and Committee Members:

Stanford Carr Development (SCD) submits this testimony in **support** of SB 893, SD1, which proposes granting twenty-year licenses for casinos in the New Aloha Stadium Entertainment District and the Hawaii Convention Center. The bill also seeks to establish the Hawaii Gaming Control Commission, impose a 15% wagering tax on gross receipts, and create both the State Gaming Fund and the Compulsive Gambler Program.

Economic Benefits of the Gaming Industry

According to 2024 research by the American Gaming Association, the gaming industry's total economic impact includes:

- \$329 billion in economic impact to the U.S. economy
- \$53 billion in tax revenues for federal, state, and local governments
- 1.8 million jobs supported, with \$104 billion in labor income, including wages, salaries, tips, benefits, and other compensation

Casino gaming is a broadly accepted entertainment option among the U.S. public, with over 102 million adults visiting casinos in the past year. Hawaii is one of only three states in the U.S. without legalized gaming. However, over 300,000 Hawaii residents visit Las Vegas each year, not to mention those that visit casinos in California and other states. It is why Las Vegas is jokingly, but accurately, referred to as the 9th island. Introducing casinos in Hawaii presents an opportunity for creating thousands of jobs and hundreds of millions of dollars of tax revenue here, rather than shipping these economic benefits to other states.

While concerns about gambling's social impacts exist, this bill proactively addresses them by establishing a gaming fund and a program dedicated to compulsive gambling prevention and treatment. In fact, the legalization of gaming will help eliminate the extensive and well

The Honorable Lynn DeCoite, Chair The Honorable Jarrett Keohokalole, Chair The Honorable Glenn Wakai, Vice Chair The Honorable Carol Fukunaga, Vice Chair Page 2

documented illegal gaming that has proliferated in the state and reduce crime and problem gaming by professionalizing, taxing, and regulating the industry.

A Vision for Economic and Community Growth

As a key member of the New Aloha Stadium Entertainment District development team, we are committed to creating a vibrant entertainment complex alongside livable residential neighborhoods. Integrating casinos into this vision offers an opportunity to build a modern urban community that fosters both economic growth and job creation.

Additionally, incorporating a casino could pave the way for an aspirational stadium that serves Hawaii for decades, hosting professional sports, concerts, and community events. If approved, this legislation would further support the development of workforce housing with deeper affordability, along with an increased share of moderate-income housing. A casino in the Aloha Stadium Entertainment District will generate over 5,000 good paying jobs, hundreds of millions of dollars in tax revenues and billions of dollars in economic benefits to the region, and help enhance a world-class sports and entertainment destination for both residents and visitors to the state.

I urge the committees to carefully consider the economic and community benefits of this proposal as Hawaii explores new avenues for sustainable growth.

Thank you for the opportunity to express our support for this measure.

Respectfully,

Stanford S. Carr





Testimony of Roy Pfund, President/CEO of Roberts Hawaii on S.B. No. 893 Relating to the Economy

phone 808.523.7750 fax 808.522.7866

Roberts Hawaii, Inc. 444 Niu Street, Suite 300 Honolulu, HI 96815

www.robertshawaii.com

Roberts Hawaii supports S.B. No. 893, with comments, which proposes to authorize two gaming casinos: one at the Hawaii Convention Center and one at the Stadium Entertainment District.

A previous Waikiki Improvement Association survey found that Las Vegas is a favorite vacation destination among our local residents. Among the residents surveyed, 58% agreed that gaming would have a positive impact on Hawaii's economy. Further, gaming will contribute to the activities available to our tourists, as well as provides an option for our residents, other than Las Vegas. This will result in keeping funds within our state, rather than expending it elsewhere.

Legalizing gaming at designated facilities will increase tax revenues and will provide positive contributions to Hawaii's economy. In addition, having properly regulated, designated gaming casinos, would help reduce the presence of illegal gaming houses. Additional benefits would include the following:

- Good regulatory structure;
- Required construction requirements; and
- Funding for social service programs.

S.B. No. 893 establishes the regulatory scheme for casino gaming in Hawaii. I would also like to comment that it would be advisable to explore a variety of options before finalizing the casino locations.

For these reasons we support S.B. No. 893

Respectfully submitted,

Roy Pfund President and CEO



OPERATIVE PLASTERERS' AND CEMENT MASONS' INTERNATIONAL ASSOCIATION LOCAL #630, AFL-CIO

2251 North School Street • Honolulu, HI 96819 Phone No.: (808) 841-0491 • Fax No.: (808) 847-4782



TO: HAWAII STATE SENATE COMMITTEES ECONOMIC DEVELOPMENT AND TOURISM AND COMMERCE AND CONSUMER PROTECTION

SUBJECT: TESTIMONY IN SUPPORT OF SB893 SD1 RELATING TO THE ECONOMY.

<u>Hearing</u>

DATE: Thursday, February 13, 2024 TIME: 1:03pm

Aloha Honorable Chairs DeCoite and Keohokalole, Vice Chairs Wakai and Fukunaga, and Committee Members,

The Operative Plasterers' and Cement Masons' International Association Local 630 (OPCMIA Local 630) is a trade union of over 900 plasterers and cement masons. Plasterer members of the union finish interior walls and ceilings of buildings and apply plaster on masonry, metal, and wire lath or gypsum. While cement mason members are responsible for all concrete construction, including the pouring and finishing of slabs, steps, wall tops, curbs and gutters, sidewalks, and paving. Local 630 is proud to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

Financial Secretary-Treasurer & Business Manager of OPCMIA Local 630, Peter T. Iriarte, and the members of OPCMIA Local 630 stand in strong support of SB 893 SD1 which grants twenty-year licenses for casinos in the New Aloha Stadium Entertainment District (NASED) and Hawai'i Convention Center, establishes the Hawai'i Gaming Control Commission, imposes a fifteen per cent wagering tax on gross receipts and establishes the State Gaming Fund and Compulsive Gambler Program.

We are and have been in strong support of measures that make the building of the NASED more attractive to investors and financiers. We strongly believe that this measure does that and raises revenue that can be then put back into the repair, maintenance and expansion of the New Aloha Stadium itself.

Thank you for the opportunity to submit testimony in support of SB893 SD1.

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 11:54:58 AM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Christina Everett	Testifying for Project Nehemiah Hawaii	Oppose	Written Testimony Only

Comments:

Aloha, we are writing to strongly oppose the proposal to establish a casino in Hawai'i. While proponents argue that a casino may generate revenue, the long-term social and economic consequences far outweigh any potential financial benefits.

Allowing a casino in Hawai'i will inevitably attract unwanted attention from criminal elements and contribute to an increase in illicit activities. Organized crime, human trafficking, money laundering, and drug-related offenses have been linked to casino operations in numerous jurisdictions. The presence of a casino would serve as a magnet for these criminal activities, jeopardizing the safety and well-being of our residents and visitors.

Furthermore, a casino will exacerbate social issues such as gambling addiction, domestic violence, and financial instability among local families. The lure of easy money often leads to destructive behavior, causing personal and economic hardship that affects not just individuals but entire communities. Hawai'i has long been known for its natural beauty, cultural heritage, and strong sense of community. Introducing a casino would tarnish our reputation and shift the focus away from sustainable tourism and local businesses that uphold the values of our islands. Instead of relying on gambling, we should explore economic initiatives that align with our traditions and prioritize the well-being of our people. I urge you to reject any proposal to legalize casino gambling in Hawai'i. Let us preserve the integrity, safety, and cultural identity of our islands for generations to come.

Mahalo for your time and consideration.



Iron Workers Stabilization Fund

T. George Paris Managing Director

> February 13, 2025 1:03 pm

House Committee on Judiciary & Hawaiian Affairs

229 & Videoconference

Re: Support for SB893 SD1- RELATING TO THE ECONOMY.

Aloha Chair Decoite, Chair Keohokalole and members of House Committee on Economic Development and Tourism

The Ironworkers Stabilization Fund strongly supports the intent of SB893 SD1 for the reasons of increased funding for programs that assist local families.

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

We believe economic diversification is crucial for long-term stability and generating new tax revenue, especially given federal budget cuts and future uncertainties.

We urge this committee to give strong consideration to this bill to <u>keep local families</u> <u>homes</u>

> Sincerely, T. George Paris Managing Director





Submitted Online: Monday, February 3, 2025

TO: Senate Committee on Economic Development & Tourism Senator Lynn DeCoite, Chair Senator Glenn Wakai, Vice Chair

> Senate Committee on Commerce & Consumer Protection Senator Jarrett Keohokalole, Chair Senator Carol Fukunaga, Vice Chair

FROM: Eva Andrade, President

RE: Opposition to SB893 SD1 Relating to the Economy

Hawai'i Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawai'i. SB893 seeks to legalize casino gambling in the New Aloha Stadium Entertainment District and Hawaii Convention Center. This bill would establish a Hawaii Gaming Control Commission, impose a fifteen percent wagering tax on gross receipts, and create a State Gaming Fund. As such, we have serious concerns about this bill and its ultimate ramifications on the wider community.

Hawai'i is one of only two states in the nation without any form of legalized gambling. This is not a flaw in our economy—it is a strength of our cultural and social fabric. Our islands have long stood as a beacon of family values, natural beauty, and a unique way of life. Legalizing gambling would be a direct assault on these values and would irreversibly change the very character of our state. Simply put, we must Keep Hawai'i, Hawai'i.

Gambling Preys on the Most Vulnerable

Legalized gambling, especially casinos, has a well-documented history of disproportionately harming lowincome families, kūpuna, and individuals struggling with addiction. Studies have shown that problem gambling leads to addiction, increased bankruptcy, crime, family breakdown, domestic violence, homelessness, and even suicideⁱ. Establishing a Compulsive Gambler Program does not undo the widespread damage that will occur in our communities if casinos are introduced and lives and families are destroyed.

The Social and Economic Costs Outweigh the Benefits

Supporters of this bill claim that casino gambling will bring in much-needed revenue, but decades of research have proven that the costs of legalized gambling outweigh the financial benefits. For every \$1 gained in tax revenue, states spend at least \$3 addressing the social consequences of gambling addictionⁱⁱ, increased crime, and destruction of the family, including povertyⁱⁱⁱ. Instead of boosting our economy, casinos create an environment of dependency, where local residents—rather than tourists—become the primary patrons and financial victims.

Gambling Attracts Crime and Corruption

Casinos have been linked to higher rates of crime, including organized crime, drug trafficking, human trafficking, and money laundering. The introduction of a Gaming Control Commission does not guarantee that our state will be able to curb these dangerous influences. States that have legalized gambling often find themselves constantly battling regulatory failures, enforcement problems, and political corruption linked to the gambling industry.



Page Two EDT/CPN Testimony | SB893 SD1

Gambling Will Become a Public Health Issue

According to the impact report conducted by the Hawai'i State Commission on the Status of Women in 2021, gambling is recognized as a public health issue linked to significant community harm, including connections to sex trafficking and other forms of gender-based violence. Their report concludes that Native Hawaiian, immigrant, and impoverished women, LGBTQ individuals, and keiki living near the proposed Resort Casinos are at the highest risk for gambling-related harm, such as problem gambling, domestic violence, child abuse, sexual assault, and sex trafficking. Hawai'i's already underfunded anti-sex trafficking, sexual assault, and domestic violence support systems would likely be unable to respond effectively to an increase in gender-based violence. Furthermore, prevention efforts would be hindered, as reducing sex trafficking requires addressing demand—a challenge when gambling patrons generating revenue are the primary source of that demand. As a result, the Resort-Casino could perpetuate gender-based violence and economic instability for vulnerable women, trapping them in a dangerous cycle of exploitation^{iv}.

There Are Better Economic Solutions for Hawai'i

Instead of turning to gambling as an economic quick fix, we should focus on sustainable industries that align with our values—such as technology, local agriculture, renewable energy, and responsible tourism. Gambling is a short-term and harmful solution that does not reflect the aloha spirit or the best interests of Hawai'i's people.

Keeping Hawai'i, Hawai'i

For generations, Hawai'i has been a place of community, tradition, and shared responsibility. We have remained one of the few states to reject the predatory industry of gambling, and we should continue to do so. We must uphold our commitment to preserving the cultural integrity and moral foundation of our islands. Gambling will not solve our economic challenges—it will create deeper ones. We urge both committees to reject SB893 and protect the future of Hawai'i. Let us keep our state a place of true prosperity, one that prioritizes the well-being of its people over short-term economic schemes.

Mahalo for your time and consideration.

ⁱ Kindridge, B. (2024, March 27). *How Does Gambling Affect Society*. Kindbridge Behavioral Health. Retrieved February 10, 2025, from https://kindbridge.com/gambling/how-does-gambling-affect-society/

ⁱⁱ This specific statistic is cited in a 2011 report by the California Senate Committee on Governmental Organization, which states: "Even, say, in terms of the promise of tax revenue, at a loss of \$3 for \$1, most of us could not run a business if every dollar we made, we lost \$3..." This figure underscores concerns that the costs associated with gambling addiction—such as increased healthcare expenses, law enforcement, and social services—may significantly outweigh the tax revenues generated from gambling activities.

ⁱⁱⁱ Gronden, F. (2024, September 5). *Gambling's glitter is blinding US policymakers to its social costs*. The Guardian. Retrieved February 10, 2025, from https://www.theguardian.com/us-news/article/2024/sep/05/gambling-us-policymakers-prevention-treatment

^{iv} Jabola-Carolus, K. (2021, January 26). Gambling with Women's Safety: A Feminist Assessment of Proposed Resort-Casino. *Gender Impact Statement*, (Prepared by the Hawai'i State Commission on the Status of Women for the Hawai'i State House of Representatives). <u>https://humanservices.hawaii.gov/wp-content/uploads/2021/02/1.26.21-r2.1.21-GIS-FINAL_DHHL-Casino.pdf</u>

SB-893-SD-1

Submitted on: 2/11/2025 10:13:46 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Pu'uhonua Bumpy	Testifying for NATION	Oppose	Written Testimony
Kanahele	OF HAWAI'I		Only

Comments:

Economic, Development & Tourism and Ways and Means Committee February 11, 2025

Re: Strong Opposition to Senate Bill 893

ALOHA Legislators,

The Nation of Hawai'i writes to express our strong opposition to Senate Bills 891 and 893. These bills have been crafted without consultation with the Native Hawaiian community and, if passed, will perpetuate the historical economic exclusion and systemic marginalization of our people. We believe that granting control over gaming development to external entities that do not represent the true interests of Hawaiians would be a grave disservice to our community. We respectfully urge you to vote against both of these bills.

For over the past two years, the Nation of Hawai'i has been working diligently to develop a viable, sustainable, and Indigenous-led gaming initiative that aligns with our cultural values and economic needs. Any move toward gaming must ensure that economic benefits remain with the Native Hawaiian people, rather than flowing into corporate hands that have historically overlooked our population. Furthermore, the state-controlled regulatory framework has a track record of excluding us, and we cannot support bills that continue this trend.

Why These Bills Must Be Stopped:

- Failure to Include Native Hawaiian Representation: Both SB 891 (Gaming Working Group) and SB 893 (Gaming Control Commission) were created without consultation with the Nation of Hawai'i or any other recognized Native Hawaiian governing entity. This exclusion is unacceptable.
- State-Controlled Revenue Model: These bills direct gaming revenue into a state fund, reinforcing economic structures that have marginalized Native Hawaiians for over a century. The funds should benefit our community directly, not be siphoned off into external entities.
- No Consideration of Hawaiian Sovereignty or Land Rights: As an internationally recognized sovereign entity under Public Law 103-150 (Apology Resolution), the Nation of Hawai'i must have a say in any development involving gaming in Hawai'i. The absence of this consideration in both bills is a clear oversight.

• Environmental & Cultural Risks:

The proposed sites for gaming, such as the Neal S. Blaisdell Center and the Hawai'i Convention Center, are not suitable for long-term, community-driven gaming development. These locations lack the necessary cultural grounding and environmental sustainability to ensure the success of such an initiative.

• Flawed Legislative Premise: SB 893 presumes a structure that should instead be the result of discussions stemming from SB 891. Additionally, the inclusion of specific companies with no history of supporting Hawai'i's best interests or engaging with the Native Hawaiian community is deeply troubling. Legislation should not pick corporate "winners" at the expense of the people of Hawai'i.

Historical Context: The Akaka Bill and the Redaction of Gaming Rights for Native Hawaiians

It is also essential to recognize the history surrounding the Akaka Bill, which sought federal recognition for Native Hawaiians. In 1998, when this bill was first introduced, gaming provisions were initially included as part of the discussion. However, in a significant step backward for our community, these provisions were later redacted, effectively preventing Native Hawaiians from having a say in the future of gaming development within our own homeland. The Akaka Bill's passage without gaming provisions marked a loss of self-determination and a denial of our ability to participate in the economic opportunities that could help sustain and strengthen our community. These Senate Bills 891 and 893, by further entrenching external control over gaming, continue this history of exclusion and further diminish our ability to address the economic needs of our people on our terms.

The Nation of Hawai'i's Superior Alternative:

The Nation of Hawai'i is committed to an Indigenous-led, culturally grounded, and sustainable approach to gaming development. Our model offers significant advantages, including:

• Revenue Stays in Hawai'i:

Our approach ensures that funds are reinvested directly into Native Hawaiian communities, benefiting education, housing, healthcare, and land restoration.

• Cultural & Environmental Responsibility: Our gaming initiative identifies culturally and environmentally appropriate locations that align with the land and its people, ensuring long-term sustainability.

• Stronger Regulatory Oversight: Our model includes a Native Hawaiian-led regulatory body that ensures compliance, accountability, and protection against problem gambling, surpassing the standards set in SB 893.

• Job Creation & Economic Empowerment:

Unlike the external corporate interests outlined in these bills, our model creates job opportunities, career pathways, and workforce training programs specifically for Native Hawaiians, contributing to economic self-sufficiency.

Our Demand: The Legislature Must Act in Good Faith

We call upon the Hawai'i State Legislature to halt the advancement of SB 891 and SB 893 immediately. We request a direct meeting with key legislative leaders to present our comprehensive plan, which has been developed with respect for the culture, rights, and self-determination of Native Hawaiians.

The United States, through Public Law 103-150, acknowledged the illegal overthrow of the Hawaiian Kingdom and affirmed our inherent right to self-determination. This right extends to economic development initiatives, especially those involving gaming, which will dramatically alter Hawai'i's economic landscape. It is imperative that such initiatives be led by and for Native Hawaiians, not by external forces that continue cycles of economic oppression.

We urge you to stand on the right side of history and work with the Nation of Hawai'i to create a gaming framework that truly benefits our people and respects our rights. We look forward to your response and a formal commitment to meet and engage on this matter.

Mahalo for your time and consideration.

Sincerely,

Pu'uhonua Dennis B. K. Kanahele President, Nation of Hawai'i puuhonua@nohgov.com

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 1:15:04 PM

Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
John Kealoha Garcia	Testifying for Nation of Hawaii	Oppose	Written Testimony Only

Comments:

TESTIMONY OF JOHN KEALOHA GARCIA

2nd Vice President, Minister of Foreign Affairs, Minister of Commerce

Nation of Hawai'i

BEFORE THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM

REGARDING SB 891 & SB 893 – RELATING TO GAMING

FEBRUARY 11, 2025 | 1:00 PM | CONFERENCE ROOM 229

The Nation of Hawai'i strongly opposes **SB 891 and SB 893**, which were drafted without consultation or inclusion of Native Hawaiians. Decisions impacting our lands and economy **must** be made with our participation, ensuring **equity**, **self-determination**, **and direct benefits** for our people.

As an internationally recognized sovereign entity, the Nation of Hawai'i has the expertise, governance framework, and partnerships to oversee responsible economic development. We work with Indian Country leaders, gaming regulators, and global industry experts to ensure that if gaming is introduced, it is done on our terms, with Native Hawaiians in leadership, and with revenue reinvested into our communities.

We urge the Legislature to **vote NO on SB 891 & SB 893** and engage in direct consultation with the Nation of Hawai'i. Any discussion of gaming must **begin and end with Native Hawaiian leadership**—not external interests. We welcome dialogue and a seat at the table to ensure any decisions align with **our values, sustainability, and the long-term well-being of our people.**

Respectfully submitted,

John Kealoha Garcia

2nd Vice President, Minister of Foreign Affairs, Minister of Commerce

Nation of Hawai'i

<u>SB-893-SD-1</u>

Submitted on: 2/11/2025 1:41:34 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

My name is Brandon Maka'awa'awa, and I am a Native Hawaiian educator and community leader.

Education and economic opportunity go hand in hand, yet SB 891 & SB 893 ignore the very people who need economic empowerment the most- Native Hawaiians. The revenue from gaming should be used to uplift our people through education, workforce training, and community reinvestment, since our community will be the most affected by the gaming industry. The funds generated from gaming should not be absorbed into a state-controlled fund with no direct benefit to Native Hawaiians.

For over two years, the Nation of Hawai'i has traveled to many gaming Tribes on the continent to learn of the pros and cons on a gaming model that is sustainable, culturally aligned, and puts Native Hawaiians first. I believe we need to be at the table and that if these bills go through without consultation to our community it would be just another missed opportunity to begin making right with the Native Hawaiians community as mandated by US Public Law 103-150.

I urge you to vote NO and sit down with the Nation of Hawai'i to develop a solution that truly supports our lāhui.

Mahalo,

Brandon Maka'awa'awa

Vice President

Nation of Hawai'i

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 7:10:29 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Jodi Akau	Testifying for Kanehili NSW (Neighborhood security watch)	Support	Written Testimony Only

Comments:

WE SUPPORT NO !

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 5:53:34 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Bulla Eastman	Testifying for Free Inside Ministry	Oppose	Written Testimony Only

Comments:

Aloha kakou,

I am in opposition of SB893 and am asking you to not support this bill. I have been ministering in the prisons here in Hawaii and in Arizona since 2008. In my experience over the years I have ben able to personally reach out to the broken, the lost, and the incarcerated. For various reasons they made a choice to break the law and have been adjudicated and are serving their sentence. Gambling although not legal in Hawaii is prevalent in every community. Some of those that I minister to gravitate to the 'easy money' entrapment, legal or illegal it won't matter. There are other ways to generate revenue for hte State of Hawaii and the overall impact will be more detrimental than you can imagine.

Thank you for your time today and please do not support SB893.

In His Grace,

Pastor Bulla Eastman

SB-893-SD-1

Submitted on: 2/10/2025 3:27:25 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Allen Cardines, Jr.	Individual	Oppose	In Person

Comments:

Aloha Chairs DeCoite and Keohokaole and Vice Chairs Wakai, Fukunaga and Hawaii State Senate Committees on Economic Development & Tourism and Commerce & Consumer Protection,

My name is Allen Cardines, Jr. Thank you for allowing me to submit my written testimony in **opposition** to **SB893**. The following points are just some of the reasons why I am in opposition.

Gambling Is A Bad Bet: The ABCs of why

- 1. Gambling and pornography have a lot in common: both exploit humans for a profit; both exploit human weakness and cause deep-rooted **ADDICTIONS**; both ruin marriages and families; both destroy children; both are run by people should know better, but instead choose to destroy others' lives to benefit themselves. You cannot predict who will become addicted to gambling it's an equal opportunity predator. A bad bet for families.
- 2. Numerous reports have found gambling to be linked to increase **BANKRUPTCY**. SMR Research Corporation calls gambling "the single fastest growing driver of bankruptcy." A bad bet for families.
- 3. Gambling breeds **CRIME** and it is not a partisan issue. In states with legalized gambling, the gambling cartel has brought out all political parties, and are assuming positions of power within state and federal offices. A bad bet for families.
- 4. Gambling is **DESTRUCTIVE**. Gambling creates addicts, ruins marriages, destroys families, exploits children and the poor, bankrupts communities, raises crime, creates corruption, makes false promises, distorts reality, deceives the public and lies all the way to the bank. Greed, power, money and corruption are at the root of gambling operations. A bad bet for families.
- 5. Gambling is bad for the **ECONOMY**. Professor Earl Grinols calculates that the costs of gambling outweigh the benefits by a factor of more than 3:1. Gambling fails the cost-benefit test, and taxpayers lose. A bad bet for families.
- 6. Gambling violates the principle of **FINANCIAL** stewardship to pay off your debt for good and build wealth. A bad bet for families.
- 7. *Excerpted from: http://www.focusonthefamily.com/socialissues/gambling/talking points

I ask you to **oppose SB893**.

Thanks for the opportunity to humbly and respectfully submit my testimony in **opposition**.

Aloha,

Allen Cardines, Jr.

SB-893-SD-1

Submitted on: 2/11/2025 11:47:04 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Joy Chinen	Individual	Oppose	In Person

Comments:

I stand opposed to this SB893.

Hawaii is such a special place and we do not have gambling here. Let's keep it that way. i feel that bringing gambling will totally ruin our beautiful land by ruining families. We've already seen what illegal gambling houses have done to our communities. We had one down the street from where we live and there was nothing that the police could do about it. Gambling will put people in poverty and keep them in poverty.

i do not see any benefits for our families. I do not see how it will benefit anyone.

AYMAN EL-SWAIFY PUBLIC TESTIMONY <u>SB893 - RELATING TO THE ECONOMY</u>

Good Afternoon, Senate Committee Members. My name is Ayman El-Swaify and I am OPPOSED to Senate Bill 893.

Among other related things, this Senate Bill grants twenty-year licenses for casinos in the New Aloha Stadium Entertainment District and Hawai'i Convention Center, and establishes a Hawai'i Gaming Control Commission.

The promise of increased tax revenue should not be the deciding factor in making this decision. There are financial and societal consequences that must be weighed. Indeed, these reasons are why the legislature has wisely resisted legalizing gambling every past year that it has been proposed.

Gambling is harmful to individuals and society. Casinos and lotteries are profit-driven businesses who use sophisticated techniques to ensure that the "house" wins the majority of the time. The gaming industry implies that "winning big" is more probable than it really is. Thus, it is those who are worse off financially that are most attracted to gambling because it gives them a false hope their plight will be solved by hitting it big.

The positive psychological effects of gambling are addictive. The American Psychiatric Association defines pathological gambling as a clinical disorder characterized by a persistent and recurring failure to resist gambling behavior that is harmful to the individual and concerned others. The social ills associated with problem gamblers are widespread and often go beyond an addition to gambling. Problems with gambling can lead to bankruptcy, crime, domestic abuse, and even suicide.

I believe that the financial burden of dealing with such societal ills will far outweigh the financial tax incentives. I therefore implore you to please OPPOSE this bill.

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 3:05:07 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Germaine Meyers	Individual	Oppose	Remotely Via Zoom

Comments:

Please OPPOSE SB893 SD1.
<u>SB-893-SD-1</u>

Submitted on: 2/11/2025 9:31:26 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Aloha,

I oppose SB893. This is just a very bad bill. This will cause so many problems, from criminal activity to the destruction of families. Please vote NO on SB893. Thank you.

Noela von Wiegandt

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 10:28:25 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Kai Lorinc	Individual	Oppose	Remotely Via Zoom

Comments:

TESTIMONY IN STRONG OPPOSITION TO SB 893

Hearing Date: February 13, 2025

Committee(s): Economic Development, Tourism (EDT); Commerce and Consumer Protection (CPN); Ways and Means (WAM)

To: Chair(s), Vice Chair(s), and Members of the Committees

My name is Kai Lorinc, and I am submitting testimony in strong opposition to SB 893, a reckless and deceitful attempt to legalize casino gambling in Hawaii. The way this bill has been handled with minimal public notice, lack of transparency, and rushed committee hearings raises serious concerns about legislative integrity.

A Backdoor Scheme to Legalize Gambling

The process surrounding SB 893 is deeply troubling and unethical. The Senate Economic Development and Tourism Committee only provided 34 minutes' notice before discussing this bill, giving the public virtually no opportunity to participate. Additionally, the proposed draft of the bill was practically blank, with no clear mention of casinos—an obvious attempt to obscure its true intent.

If gambling is truly in the best interest of Hawaii, why aren't lawmakers putting it to a statewide vote? Why is it being rushed through committees in the shadows? These tactics undermine public trust and suggest that legislators know full well that the people of Hawaii do not support casino gambling.

A Direct Attack on Hawaii's Most Vulnerable

The harms of legalized gambling are well-documented. It leads to:

Increased addiction and financial hardship

Higher rates of domestic violence and crime

Exploitation of Hawaii's most at-risk communities

Hawaii has remained gambling-free for a reason—our communities cannot afford the consequences. The only people who stand to benefit are casino operators, gambling lobbyists, and the politicians who support them. The people of Hawaii will be left to deal with the fallout.

False Promises

Proponents claim this bill will generate revenue for the state. What they fail to mention are the hidden costs—more crime, more addiction, more families in financial ruin, and increased demand for social services that taxpayers will be forced to cover. **The supposed economic benefits** do **not** outweigh the inevitable **damage** this will cause.

Lack of Transparency: Who Controls This Industry?

SB 893 calls for a five-member gaming control commission, appointed by the governor and operating under the Department of Commerce and Consumer Affairs (DCCA). With 20-year licenses granted to casino operators, who will actually oversee and regulate this industry? Given Hawaii's long history of political corruption and backroom deals, how can the public trust that this commission won't be swayed by special interests?

Hawaii Deserve Better

This bill is about more than gambling it is about the **integrity of** *our* **government**. If legislators truly believe in this proposal, they should allow the public to have a real say instead of sneaking it through the legislative process with as little attention as possible.

I strongly urge the committees to reject SB 893 and instead focus on policies that support Hawaii's working families rather than opening the door to predatory industries. With representatives like these, Hawaii doesn't need any more enemies.

Respectfully submitted,

Kai Lorinc

Hawaii Deserves Better

Kai@HIRANEWS.com



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 7:47:57 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Carol White	Individual	Oppose	Remotely Via Zoom

Comments:

I oppose thi bill to open Hawaii to more gambling which will hurt families with addicted gamblers.

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 8:43:33 AM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Master Shelby "Pikachu"	Testifying for Kingdom of	Support	Remotely Via
Billionaire	The Hawaiian Islands		Zoom

Comments:

Subject: Robust Opposition to S.B. No. 893 - A Clear Danger to Hawaii's Social Fabric and Security

Dear Esteemed Members of the Hawaii State Legislature,

I come before you with an impassioned plea to reject Senate Bill No. 893, which would introduce casino gambling to our state. This legislation, while cloaked in the guise of economic prosperity, is deeply flawed and would open the floodgates to a myriad of social, criminal, and economic challenges. Here are more detailed reasons, backed by statistics, to argue for its dismissal:

1. Human Trafficking:

- Hawaii's existing human trafficking problem is dire, with 64% of survivors being Native Hawaiian (NIWRC, 2021). Casinos act as a catalyst for human trafficking, with a study from the National Human Trafficking Hotline indicating that casinos are one of the top venues for sex trafficking. In Nevada, calls about human trafficking in casinos rose by 70% after legalization (Polaris Project, 2018). We cannot afford to exacerbate this issue in Hawaii, where the infrastructure to combat trafficking is already strained.
- January is Human Traffiking Awareness Month recongnized Nationwide and by Governor Josh Green with multiple bills in active legislation now.
- 2. Drug Smuggling and Addiction:
 - Casinos have been linked to a significant uptick in drug crimes. In Atlantic City, drug arrests within casino districts increased by 27% following casino legalization (New Jersey State Police, 2015). In Hawaii, the High Intensity Drug Trafficking Area (HIDTA)

data shows methamphetamine and heroin seizures have already risen by 40% in the last five years. Introducing casinos would likely fuel this increase, with the UNLV study correlating gambling with higher rates of drug use among gamblers.

3. Prostitution:

• The connection between casinos and prostitution is well-known. In Las Vegas, after the legalization of gambling, prostitution-related arrests in casino areas increased by 15% within three years (Las Vegas Metropolitan Police Department, 2009). Given Hawaii's recent history of illegal gambling dens tied to prostitution, as reported by local law enforcement, legal casinos would only amplify this trade.

4. Violent Crimes:

• Economic studies, including those by Grinols and Mustard (2001), have shown that the introduction of casinos can lead to an 8 to 10% increase in crime rates. In Honolulu, the correlation between illegal gambling operations and violent crimes like murder and robbery is evident, with the Honolulu Police Department reporting a 12% rise in violent crime associated with gambling dens since 2015.

5. Murder and Rape:

• While direct causation is complex, the environment around casinos can foster conditions leading to violent crimes. In Chicago, post-casino legalization, there was a noted 3% increase in violent crime rates within a 2-mile radius of casinos (Chicago Police Department, 2016). Given Hawaii's tight-knit communities, this could mean a significant upheaval in our sense of security and community cohesion.

6. Economic and Social Costs:

• The economic benefits of casinos are often overstated. Maryland's casinos, for example, brought in revenue but at the cost of significant social expenses, including \$1.2 billion in social costs annually due to gambling addiction (Maryland Department of Health, 2020). Hawaii, without the robust social services infrastructure to handle such an increase in gambling addiction, would face even higher costs.

- 7. Community and Cultural Impact:
 - The cultural fabric of Hawaii, emphasizing 'ohana and community, could be irreparably damaged by casinos. In communities where casinos have been introduced, there's been a noted 20% increase in homelessness and a decline in community health metrics (Urban Institute, 2021). Given our state's unique cultural identity, this shift could lead to a loss of cultural heritage and community values.
- 8. Legal and Enforcement Challenges:
 - The enforcement of gambling laws has historically led to corruption and inefficiency. A 2017 study from the Center for Problem-Oriented Policing showed increased corruption in law enforcement in areas with casinos. Hawaii's law enforcement is already under-resourced for current crime rates; adding casinos would strain these resources further, potentially leading to more crime rather than less.
- 9. Environmental and Infrastructure Strain:
 - Casinos require significant infrastructure, leading to environmental degradation and increased traffic, which Hawaii's islands are ill-equipped to handle. In Macau, casino development led to a 30% increase in traffic congestion (Macau Government Traffic Department, 2018), a scenario Hawaii might face, impacting our tourism in negative ways.

I urge you to consider these points and the potential for casinos to not only fail in delivering promised economic benefits but to bring about long-term social and criminal damage. Please vote against S.B. No. 893 to protect Hawaii's future, its people, and its unparalleled cultural heritage.

Thank you for your time and for considering the long-term implications of this legislation.

Sincerely,

Master Shelby "Pikachu" Billionaire

Kingdom of The Hawaiian Islands

<u>SB-893-SD-1</u>

Submitted on: 2/10/2025 1:18:55 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Ellen Godbey Carson	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose legalizing gambling in Hawaii. Its social harms outweigh any benefits it would bring. It disproportionately damages those who can least afford to indulge in unreasonable risks associated with gambling. Gambling moneys rarely get spent in the manner that their proponents claim. Gambling just creates more intense social ills and addictions that we don't need.

Thank you for consideration of my testimony

Ellen Carson

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 1:37:53 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I strongly oppose SB893 SD1.

This will lead to more corruption and crime.

SB-893-SD-1

Submitted on: 2/10/2025 2:52:59 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Why Oppose SB893?

O Gambling Hurts Families & the Vulnerable

• Leads to addiction, bankruptcy, homelessness, and family breakdown.

• A "Compulsive Gambler Program" won't undo the damage.

The Costs Outweigh the Benefits

• For every **\$1 gained in tax revenue, states spend \$3** dealing with crime, addiction, and poverty.

• Casinos target **locals, not tourists**, deepening financial struggles.

A Brings Crime & Corruption

- Gambling attracts organized crime, money laundering, and human trafficking.
- Other states struggle with corruption tied to the gambling industry.

Better Ways to Grow Hawai'i's Economy

• Invest in **technology**, **local agriculture**, **renewable energy**, **and responsible tourism**—not gambling.

📥 Keep Hawaiʻi, Hawaiʻi!

- Gambling erodes our community values and permanently changes our way of life.
- Hawai'i has rejected gambling for decades—let's stand strong and say NO to SB893!

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 3:16:54 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Sylvia Makainai	Individual	Oppose	Written Testimony Only

Comments:

Totally against this horrible corrupt way to fund the rail!

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 3:37:22 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Brett Kulbis	Individual	Oppose	Written Testimony Only

Comments:

Chair DeCoite, Chair Keohokalole, and Committee Members,

My name is Brett Kulbis, I'm a 26yr Navy Veteran and Retired Civil Servant. I live in Ewa Beach.

I STRONGLY OPPOSE SB-893.

SB-893 threatens the very fabric of our great state and the values we hold dear. This bill, if passed, will open the floodgates to the vices of gambling, bringing with it a host of societal ills and moral decay.

Legalizing casinos and establishing a gaming commission in Hawai'i is a reckless decision that will have far-reaching consequences. We must ask ourselves: do we want our beautiful islands to become a haven for sin and addiction? The answer is a resounding no!

Introducing casinos will lead to an increase in crime rates, including theft, fraud, and other illicit activities. Additionally, gambling can exacerbate social issues such as domestic violence, substance abuse, and family breakdown. Gambling is not just a harmless pastime, but a gateway to financial ruin and personal devastation.

Additionally, the development of casino complexes will lead to increased environmental degradation, including higher energy consumption, water usage, and waste generation. This contradicts Hawaii's efforts to become more sustainable and environmentally conscious.

While the bill establishes a Compulsive Gambler Program, it is unclear whether this program will be adequately funded or effective in addressing the inevitable rise in gambling addiction. The long-term costs of treating addiction and mitigating its effects on families could outweigh any short-term economic benefits.

The economic benefits of casinos are often overstated. In reality, they lead to job displacement in other sectors, as local spending shifts from existing businesses to casinos. This could harm small businesses and local entrepreneurs who are vital to Hawaii's economy. Additionally, the proposed 15% tax on gross receipts may not yield as much revenue as anticipated, especially if the casinos attract visitors who would otherwise spend money elsewhere in the state. Moreover, the administrative costs of managing the State Gaming Fund could be substantial.

Hawai'i has always been a beacon of family values and traditional virtues. We must preserve our culture and protect our keiki from the harmful influences of the gambling industry. We must not succumb to the allure of quick fixes, but rather build a sustainable and prosperous future for generations to come. Hawaii's unique cultural identity is a significant part of its appeal to tourists and residents alike. Introducing casinos could alter the character of our communities, potentially diminishing the very attractions that make Hawai'i special.

If economic growth is truly the goal, SB-893 will only offer short-term economic gains. I firmly believe that the long-term risks and negative impacts on our community outweigh these benefits. Hawai'i should focus on economic development strategies that preserve our cultural heritage and protect our residents' well-being.

Respectfully, I STRONGLY encourage you to vote NO on SB-893.

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 3:56:40 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

No, No, No. Gambling is a gateway to crime and other social dysfunctions. Hawaii does not need it,

You politicians need to spend less rather than looking at gambling money as another source of funds to drain our society so that you can spend it.

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 4:02:14 PM

Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Aloha,

Legalized gambling in the form of casinos results in addiction, bankruptcy, homelessness, and family breakdown attracting organized crime, money laundering, and human trafficking.

Why are some of our state legislators promoting so much pain for Hawaii citizens? All for the money: so very sad. And, there won't be a positive financial return anyway after spending money in social and legal costs cleaning up the mess that casino gambling will inevitably cause.

I urge you to vote NO on this terrible bill.

I vote NO.

Mahalo,

Alfred Hagen

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 4:25:18 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Joseph-paul Akim	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Lynn DeCoite, Chair Jarrett Keohokalole, Vice Chair Glenn Wakai, Vice Chair Carol Fukunaga,

As kānaka maoli, our Hawai'i is distinct from the other 49 states. The legalization of gambling will further undermine our community values and permanently change our way of life. Other states have grappled with corruption linked to the gambling industry. It has resulted in an increase in criminal activity and violence. Gambling will breed more distrust and foster greater isolation and stress within our Hawaiian communities.

Many local residents already fear walking, jogging, or just talking stories with neighbors, particularly at night. There are already specific areas in communities that are hotspots for criminal activity, with people scared of calling law enforcement due to retribution. The legalization of gambling will not eliminate these known game houses but rather exacerbate our current problems in human trafficking, drug distribution, money laundering, and violence. Gambling hijacks local families as it turns to addiction, the same as illegal drugs. Please stand for the health and wellness of our local people.

Sincerely,

Joseph-paul Akim

SB-893-SD-1

Submitted on: 2/10/2025 4:33:45 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Cari Sasaki	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE the legalization of gambling in Hawaii. I have personally experienced the consequences of gambling and how it can ruin a life including repossession, bankruptcy, and eviction. Gambling is highly addictive for many people and also invites criminal activity. Our beautiful state does not need another vice that will destroy families and lives.

I strongly oppose SB893 to legalize gambling in our state. Experience has shown that legalized gambling fails to lower taxes, raises infrastructure costs, and has tremendous social costs including the rise of various addictions and crimes. I urge you not to pass this bill!

Cynthia A Dorflinger 2536 Manoa Road Honolulu, HI 96822

February 10, 2025 4:30 PM

SB-893-SD-1

Submitted on: 2/10/2025 5:46:48 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephen Ziadie	Individual	Oppose	Written Testimony Only

Comments:

Stop dragging our state into anarchy and vote NO to SB 893! We do not want to incur the problems of Las Vegas. Gambling in our state would enslave huge swaths of our population that are pre deposed to gamble. If you vote for this, you show disrespect to our culture. I will vote you out of office if you pass this bill. Vote NO to SB 893

thank you

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 5:47:12 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose allowing gambling in Hawaii because poor people will try to "hit the big one" and

become even more poor!

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 5:56:18 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Carm Akim	Individual	Oppose	Written Testimony Only

Comments:

Gambling is often misrepresented as a harmless leisure activity; however, this perception dangerously overlooks the significant harm caused by its products and practices. The legalization of gambling obscures the truth that commercial gambling is designed to be addictive, making it easy for individuals to fall into harmful behaviors. Blaming the detrimental effects solely on a few individuals who gamble irresponsibly diverts attention from the real issues and perpetuates a damaging narrative. Additionally, individuals diagnosed with or treated for gambling disorder face a higher burden of mental and physical comorbidities, as well as criminal behaviors, compared to the general population. The legalization of gambling will require more resources to address the societal and personal costs associated with gambling disorder. Resources and aid the State of Hawaii and its healthcare system have no capacity to provide.

Carm Akim, RN MSN WCC

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 8:21:18 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I urge this committee to **VOTE NO** on the proposed bill to introduce casino gaming in Hawaii. This legislation not only undermines the cultural, social, and economic integrity of our beloved state but also poses significant risks that far outweigh any purported benefits.

Cultural and Moral Erosion:

Hawaii's identity is deeply rooted in its culture, which emphasizes family, community, and the 'Aloha spirit.' Introducing casinos would tarnish this identity by promoting an industry known for fostering greed, addiction, and social decay. The moral implications of gambling go against the values we hold dear, potentially leading to a decline in community cohesion and a rise in gambling-related social issues.

Public Health and Social Impact:

The legalization of casino gaming would inevitably lead to an increase in gambling addiction, which is recognized as a serious public health issue. Studies from states with casinos show a direct correlation between casino proliferation and rates of gambling disorder, which in turn is linked to higher incidences of depression, crime, bankruptcy, and suicide. The provision for a compulsive gamblers program, while a step in the right direction, is insufficient to counteract the widespread impact of such an industry.

Economic Misconceptions:

While the promise of revenue generation is often touted as a benefit, the economic reality is far more complex. The economic benefits are often overstated; casinos can lead to a phenomenon known as the "substitution effect," where local spending is merely redistributed rather than increased. Additionally, the jobs created are frequently low-wage, part-time, and can disrupt local labor markets. The proposed tax revenue from casinos might not offset the costs associated with increased crime rates, addiction treatment, and social services.

Exploitation of Vulnerable Populations:

Casinos disproportionately affect low-income and vulnerable populations, who are more likely to gamble beyond their means. The bill's focus on economic development through casinos might instead lead to the economic exploitation of these groups, deepening poverty and inequality. The allure of quick wealth can be particularly damaging to individuals who can least afford to lose money.

Regulatory and Enforcement Challenges:

The establishment of the Hawaii Gaming Control Commission and the regulatory framework suggested in the bill present significant challenges. The complexity of managing and regulating casino operations to prevent corruption, fraud, and illegal activities would require substantial resources and expertise, potentially overwhelming existing state regulatory bodies.

Environmental and Infrastructure Concerns:

Introducing casinos in areas intended for community or cultural use, like the New Aloha Stadium Entertainment District or the Hawaii Convention Center, could lead to environmental degradation and inappropriate use of public spaces. The focus should be on sustainable development that benefits all residents, not on projects that might serve narrow economic interests at the expense of broader community needs.

Legal and Ethical Concerns:

The bill's provisions for exemptions from certain taxes and regulations could set a dangerous precedent, potentially undermining the state's legal and ethical standards. Such exemptions might also lead to legal disputes and public discontent about fairness and equality in taxation and regulation.

Conclusion:

In light of these myriad concerns—ranging from cultural erosion to economic and social degradation—I implore this committee to consider the long-term implications of this bill. The introduction of casino gaming in Hawaii would represent a fundamental shift in our state's identity and priorities, one that we cannot afford to make. Let us preserve Hawaii's unique character and protect our community from the known detriments of the gambling industry.

I strongly urge you to **VOTE NO** on this bill.

<u>SB-893-SD-1</u> Submitted on: 2/10/2025 9:24:10 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Laurie M. Lawson	Individual	Oppose	Written Testimony Only

Comments:

No amount of revenue warrants the legalization of gambling. Experience has shown that it fails to lower taxes, and has tremendous social costs including the rise of various addictions and crimes. On a personal note, I don't want Hawaii to become like Las Vegas. Glitzy hotels, shining lights 24/7, casinos etc. It just attracts the wrong crowd. I want to maintain our island culture and beauty. Please don't allow gambling to come to Hawaii---we won't recognize our islands if this comes to our land.

SB-893-SD-1

Submitted on: 2/10/2025 9:33:43 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Cindy R Ajimine	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE SB893.

No amount of revenue-making potential warrants the legalization of gambling that nationwide has been shown to increase expenses and the associated dependence. Experience has shown that it fails to lower taxes, raises infrastructure costs, and has tremendous social costs including the rise of various addictions and crimes.

<u>SB-893-SD-1</u>

Submitted on: 2/11/2025 7:12:47 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose SB 893 and am against any form of gambling in the state of Hawaii. My family has been affected by gambling and I am well aware of what it can do. Keep gambling out of Hawaii.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 7:34:08 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

In strong opposition of this bill

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 7:32:46 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose this measure

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 8:22:41 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
PaulGiles	Individual	Oppose	Written Testimony Only

Comments:

I oppose SB893

Paul Giles

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 8:38:12 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose SB893.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 8:45:20 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Crystal Yukumoto	Individual	Oppose	Written Testimony Only

Comments:

Aloha esteemed members of the Hawaii State Legislature,

I am writing to express my **strong opposition** to Senate Bill 893, which proposes granting twenty-year licenses for casinos in the New Aloha Stadium Entertainment District and the Hawaii Convention Center. While the allure of increased revenue and economic development is understandable, the potential social and economic costs associated with legalized gambling far outweigh the perceived benefits.

Economic Concerns

Studies have shown that the financial gains from legalized gambling are often short-lived and can lead to longer-term fiscal challenges. For instance, research indicates that while gambling legalization leads to some revenue gains, these are typically short-term and may create longer-term fiscal challenges as revenue growth slows or declines. Additionally, gambling is associated with social and economic costs that are often hard to quantify and measure.

Furthermore, the introduction of casinos can have negative impacts on other industries. For example, in Massachusetts, while the economic gains from casinos outweighed losses, there were notable outflows of casino profits out of state and negative impacts on other industries.

Social Implications

The social costs of gambling are profound. Pathological gambling can lead to severe financial distress, including drained savings, increased bankruptcies, debt delinquencies, and domestic violence, particularly affecting economically vulnerable households.

Moreover, the legalization of gambling has been associated with increased irresponsible betting behavior, especially among lower-income populations. A study from the University of California, San Diego, found that online gambling legalization leads to more irresponsible gambling spending among lower-income consumers than among higher-income gamblers.

Addiction and Mental Health

The proliferation of gambling opportunities can exacerbate addiction issues. In New Jersey, for example, while online sports betting has generated substantial revenue, it has also raised

concerns about gambling addiction and its impact on individuals and families. Over 90% of sports betting in the state is conducted online, contributing significantly to the economy, but also leading to an increase in problem gambling, especially among young adults.

Community Impact

Casinos can have negative social effects on the surrounding area, such as more crime and addiction. For example, in the UK, the rise of all-night slot machine halls has raised concerns about their impact on vulnerable gamblers, with critics arguing that these venues provide little economic benefit and exacerbate social issues.

Conclusion

While the promise of economic benefits from legalized gambling may seem appealing, the evidence suggests that the social and economic costs are substantial and enduring. The experiences of other regions demonstrate that the introduction of casinos often leads to increased social issues, economic disparities, and long-term fiscal challenges. I urge you to consider these factors carefully and **oppose** SB893 to protect the well-being of our community.

Mahalo for your attention to this critical matter.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 9:06:19 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose this bill.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 9:09:37 AM

Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Mandy Chang	Individual	Oppose	Written Testimony Only

Comments:

SB893 would introduce casino gambling, harming our families and communities. Once this door is opened, it can never be closed. Hawai'i is **one of only two states** with no legalized gambling—let's keep it that way. SB893 would introduce casino gambling, harming our families and communities.

*Reasons to vote NO on SB893:

-Leads to **addiction, bankruptcy, homelessness, and family breakdown.** A "Compulsive Gambler Program" won't undo the damage.

-For every **\$1 gained in tax revenue, states spend \$3** dealing with crime, addiction, and poverty. How would we effectively combat more crime when our police department is already struggling with staggeringly low numbers?

-Casinos target **locals**, **not tourists**, deepening financial struggles.

-Gambling attracts organized crime, money laundering, and human trafficking. I think we already have enough problem battling the horrors of trafficking!

-Other states struggle with corruption tied to the gambling industry.

*Here are some Better Ways to Grow Hawai'i's Economy:

• Invest in **technology**, **local agriculture**, **renewable energy**, **and responsible tourism**—not gambling.

Let's keep Hawai'i, Hawai'i!

- Gambling erodes our community values and permanently changes our way of life.
- Hawai'i has rejected gambling for decades—let's stand strong and say NO to SB893!

Thank you,
Amada Chang

Kapolei, Hawaii

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 9:17:31 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Stop already! No gambling, no recreational pakalolo and NO more legislators whose only concern is their greed!!!

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 9:24:37 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Stop trying to bring gambling to Hawaii. We don't want it here.

Do not pass SB893 - Vote NO!

Submitted on: 2/11/2025 9:27:22 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Enoka-Shayne Bingo	Individual	Oppose	Written Testimony Only

Comments:

Hawai'i has a sacredness like nowhere else-the aloha spirit. That spirit, with the help of this current and the previous legislative and executive bodies, as well as the salary commision board, which amplifies the people's day to day struggles, has dwindled our aloha immensely. There's enough issues that we as a people face daily and we do not have room for more addiction issues and financial hardships. I OPPOSE this bill that would allow casinos here, to deface our home and gut out that sacred Aloha spirit for a spirit such as "tropical Sin City." People come her to relax, or to reset in nature, or sit by the shores. Put bills out that support restoring that natural landscape. OPPOSE this irresponsible bill.

Submitted on: 2/11/2025 9:27:45 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Shirley Simao	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB893 and the legalization of gambling in Hawaii. I don't believe that it is a positive activity within our community and would create unnecssary problems within our islands. Please consider other revenue generating activities that would strengthen future generations.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 10:05:39 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Davin Yokomori	Individual	Oppose	Written Testimony Only

Comments:

I oppose legaizing gambling in the State of Hawaii.

SB-893-SD-1

Submitted on: 2/11/2025 10:28:57 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Shorba	Individual	Oppose	Written Testimony Only

Comments:

I strongly Oppose SB 893 SD1 and all the negative effects that come with legalized gambling. Please do not sell out our beautiful homeland to gambling/casinos as the price we'll pay in negative consequences (i.e. addiction to gambling, poverty, crime, mental health problems, etc.) are likely to outweigh any financial gain. Please keep Hawaii gambling-free and minimize the corruption in our land of aloha. Please DO NOT pass SB893 SD1.

Submitted on: 2/11/2025 10:37:21 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Patty Takahashi	Individual	Oppose	Written Testimony Only

Comments:

OPPOSE!

Keep sin city in Las Vegas.

Having gambling in Hawaii will ruin family life those with gambling addictions. These people finances will always be a burden to the family in a high cost of living state. Also congestion if more people!

The state concerned about economy? Stop spending money on the rail! and get rid of department budgets use it or loose it!

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 11:06:57 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose this bill SB893

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 11:12:34 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I oppose this bill; I believe casino gambling would be harmful to our community.

Submitted on: 2/11/2025 11:16:02 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
kim santos	Individual	Oppose	Written Testimony Only

Comments:

Please vote no to this and any bill in reguards to gambling in Hawaii! A definite NO for multiple reasons! Biggest one being the destruction of families because of gambling adfiction! This ends up costing the State money in the long run.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 11:52:25 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Gene Lamkin	Individual	Oppose	Written Testimony Only

Comments:

Not needed here

SB-893-SD-1

Submitted on: 2/11/2025 12:03:20 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
arielle adenew	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

I OPPOSE SB893. No amount of revenue-making warrants the legalization of gambling that nationwide has been shown to increase expenses and the associated dependence. Experience has shown that it fails to lower taxes, it raises infrastructure costs, and has tremendous social costs, including the rise of various addictions and crimes.

Thank you

Submitted on: 2/11/2025 12:32:47 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

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

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 12:39:03 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Aloha Senators,

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

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

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

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

Please consider reading the below articles:

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

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

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

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

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

Thank you,

Christine Otto Zaa

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 1:09:01 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Brenda Viado	Individual	Oppose	Written Testimony Only

Comments:

Oppose SB 893		

SB-893-SD-1

Submitted on: 2/11/2025 3:29:12 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Joslynn L. C. Ojiri	Individual	Oppose	Written Testimony Only

Comments:



. I vehemently oppose SB 893.

• You cannot justify that gambling is necessary to increase the revenue for our state. No amount of revenue-making warrants the legalization of gambling that nationwide has been shown to increase expenses and the associated dependence. Experience has shown that it fails to lower taxes, raises infrastructure costs, and has tremendous social costs including the rise of various addictions and crimes.

My concerns are also regarding the increase of tourism as another destination for people to gamble. We are already focusing the rebuilding of the stadium to attract tourist with miminal workforce housing for our locals.

Stop focusing on our visitors, and help create true jobs and housing for our residents.

I am very dismayed that our legislative body, once again did the "bait and switch" in this bill. We need a sustainable enconomy, not something that will only hurt our residents,.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 3:14:55 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

TO members of the Senate:

I am writing to urge you to consider voting NO on SB893.

I have a high school classmate who committed suicide here on O'ahu over gambling debts widowing his wife and orphaning his two children. Gambling is addictive. The state should have no business promoting gambling in any form.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 3:33:29 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Erin Chinen	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair Decoite, Senator Wakai, Senator Fukunaga, Senator Mercado Kim, Senator Awa,

Thank you so much for your sacrifice and time to serve our Hawai'i. I appreciate all you do. I am in firm opposition to SB893 as I firmly believe this will harm our families and communities. This will lead to **addiction, bankruptcy, homelessness, and family breakdown.** I personally know a family torn apart because the father had a gambling addiction. The economic growth won't outweigh the cost of dealing with the societal and family breakdown that will come with casinos.

I humbly ask that you vote no to SB893.

Blessings,

Erin Chinen (Kaneohe resident, mom, teacher, pastor's wife)

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 5:42:47 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Testimony Opposing Hawaii SB893

Aloha, esteemed members of the Hawaii State Legislature,

I am writing to express my strong opposition to Senate Bill 893, which proposes to allow casino gambling in Hawaii. This bill, while intended to boost economic activity, overlooks several critical issues that could have detrimental effects on our community.

Increased Crime:

The introduction of casinos has been consistently linked to an uptick in crime rates in various jurisdictions. Studies have shown that the concentration of cash and the nature of gambling can attract criminal activities, including theft, fraud, and money laundering. For an island state like Hawaii, where community safety is paramount, this could lead to significant law enforcement challenges and increased costs for public safety measures.

Risk of Addiction:

Gambling addiction is a serious issue with far-reaching social consequences. Casinos are known to exacerbate gambling disorders, leading to personal and familial financial ruin, mental health issues, and a range of social problems. Hawaii, with its close-knit communities, risks seeing a rise in these problems, particularly in areas with limited access to mental health services to address such issues.

Social Disruption:

Casinos can fundamentally alter the social fabric of communities. They often shift economic resources away from local businesses, leading to a decline in small local enterprises. Moreover, the 24/7 operation of casinos can disrupt traditional lifestyles, work patterns, and community cohesion, potentially leading to increased social inequality and community discord.

Minimal Benefits Outweighing Risks:

While proponents argue that casinos could bring economic benefits through tourism and job creation, these benefits are often overstated. Many studies have shown that casinos primarily

redistribute money within the local economy rather than creating new wealth. The tax revenue from gambling can also be volatile, often not compensating for the social costs incurred.

Community Well-being:

The well-being of our community should not be traded for uncertain economic gains. Hawaii's unique culture, environment, and lifestyle are its true assets. Introducing casinos could undermine these values by fostering a dependency on gambling, which is not aligned with the Aloha spirit or our commitment to sustainable, community-oriented development.

Conclusion:

In light of these concerns, I urge the Legislature to reject SB893. The potential for increased crime, addiction, and social disruption far outweighs any economic arguments in favor of casino gambling. Let us continue to protect and nurture the quality of life in Hawaii by rejecting this bill and focusing on sustainable, holistic development that benefits all residents without compromising our community's integrity and health.

Mahalo for considering this testimony.

Tiare Smith

Submitted on: 2/11/2025 8:03:09 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Legislator's,

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

Sincerely,

Erik Eck

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 8:39:13 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Oppose

SB-893-SD-1

Submitted on: 2/11/2025 9:22:15 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Lynette Honda	Individual	Oppose	Written Testimony Only

Comments:

I OPPOSE SB893. No amount of revenue-making warrants the legalization of gambling that nationwide has been shown to increase expenses and the associated dependence. Experience has shown that it fails to lower taxes, raises infrastructure costs, and has tremendous social costs including the rise of various addictions and crimes.

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 11:23:36 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Glory Yoshida	Individual	Oppose	Written Testimony Only

Comments:

I am pleading with you, Senators, to vote NO on SB893! Legalizing gambling will not be the cash cow that proponents are saying it will be. It will only lead to more people with gambling addictions.

With many in our community already struggling just to put food on the table, pay our bills and pay for housing. We do not need to dangle another temptation in front of those who could easily be persuaded by friends or family or the encouragement that legalized gambling would bring. To promise that some of the money made from bets would help pay for those who become addicted to gambling is so ridiculous! If we don't legalize gambling then we won't have to spend money helping those who will surely become addicted to gambling!

Legalized gambling is not the answer to provide more money for our state as some are promising. On the contrary, it will lead to more problems for our financially struggling community. Is it really worth our community's already fragile financial health to find that out?

There is still stigma associated with gambling because it's illegal now. Legalizing it will only entice those who would have never gambled or who are only doing it with family or friends for things like the Super Bowl. Let people who want to gamble go Las Vegas to get their excitement and take their chances. Please VOTE NO on SB893!

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 11:30:01 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Liza Kobayashi	Individual	Oppose	Written Testimony Only

Comments:

As a mom, former public school teacher and a local born citizen of Hawai'i, I am opposed to SB893 and the legalization of gambling in Hawaii.

Many of us have been to Las Vegas. We jokingly call it the 9th island of Hawai'i. It's a great place to visit, to have fun trying to strike it rich. But it's always nice to return home to Hawai'i and to our safe homes and communities.

The truth is, we can't have our cake and eat it too. This phrase means that you cannot enjoy two desirable but incompatible things at the same time.

If SB893 passes and our legislature chooses to make gambling legal in Hawaii, our Hawaii as we know it today, will forever change. Do we honestly want the negatives that come with gambling to come to Hawaii too? We say we will regulate. We say we will be different. But history doesn't reflect this. As the years pass, there is the very real possibility that starting with the Aloha Stadium area, it may become a microcosm of Vegas and become like the strip. Is that what we really want for our kids and keiki in our own neighborhoods and back yards?

It is what it is. If this door is open, yes it will open the door for Hawai'i to make money and revenue. But it will also open the door for a lot of the negatives that come with gambling. Do we honestly see the true cost this will have on the Hawai'i that we love and know today?

There are a lot of hurting people, who for whatever reason, lost everything because of gambling in Vegas. Do we want to open the door to the possibility that some of our own people in Hawaii, for their own reasons, may walk down a dark path, get addicted to gambling and potentially rack up debt? Fall into depression? Possibly lose their homes as they try to strike it rich?

I enjoy visiting Vegas but I don't want to bring gambling home to Hawai'i, to make some revenue. It's truthfully not worth the cost to the future of Hawai'i and our keiki and future generations of Hawai'i.

Please vote NO to this bill.

Thank you for your time.

Aloha.

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 12:01:01 AM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

We no need gambling casinos in Hawaii. Only to put more people in poverty. I oppose this bill

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 5:14:06 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Kainoa Wilson	Individual	Oppose	Written Testimony Only

Comments:

Aloha,

my name is Kainoa Wilson and I oppose this bill to allow gambling in our state/community.

legalizing gambling does nothing for our people and will only TAKE from our people even more. All it does is create more taxes for the people and creates more debt.

I am not in agreement and oppose this bill to legalize gambling in Hawaii.

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 9:29:32 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Dave Willweber	Individual	Oppose	Written Testimony Only

Comments:

This will be bad for Hawaii. Crime addiction broken people and families

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 9:12:21 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Ronald Gouveia	Individual	Oppose	Written Testimony Only

Comments:

I am in opposition to gambling in Hawaii. I think there is too much of it already and it hurts many individuals and families. Please vote against.

Submitted on: 2/12/2025 9:06:45 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Theresa Shelby	Individual	Oppose	Written Testimony Only

Comments:

Aloha Hawai'i legislature,

As a long-time resident, I am opposed to the idea of legalized gambling in our beautiful state of Hawai'i. Please vote no on SB893 Relating to the Economy.

Mahalo for your consideration,

Theresa Shelby

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 9:05:39 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
James T Yamada	Individual	Oppose	Written Testimony Only

Comments:

My name is James Yamada. I am a Pastor and an Electrical Contractor.

I am against SB893.

God tells us "For the love of

money is a root of all kinds of evil. Some people, eager for money, have wandered from the faith and pierced themselves with many griefs."

Some may think that gambling already exists in Hawaii today in many illegal game rooms. Game rooms are illegal and we know that they are destructive to the families. I know of many people who have lost tens of thousands of dollars and as a result their homes and families. Many become homeless. People who gamble are after the "quick buck" and even if they win in the early stages of their gambling lives, the bulk eventually lose all their winnings and need to borrow from friends and families to try to "hit the big one" that will bail them out. It never happens.

They suffer many griefs, but the ones who suffer the most are their families, wives and children.

Their children suffer from Childhood Trauma and abandonment. They almost never recover.

No amount of monies raised by the State can pay for the devastating impact that falls on the children... Hawaii's future.

Please don't pass this bill.

James Yamada

<u>SB-893-SD-1</u> Submitted on: 2/11/2025 7:23:51 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Harris Ichida	Individual	Support	Written Testimony Only

Comments:

I support this measure because it will bring new revenues to the state. I don't want government to dig deeper into my pocket.

Mahalo

SB-893-SD-1

Submitted on: 2/11/2025 11:40:57 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
lynne matusow	Individual	Support	Written Testimony Only

Comments:

I find it ludicrous that we are only one of two states which prohibits legal gambling. In this day and age it is absurd. Kudos to those who introduced SB893. And, while you are at it, start looking at making lotto legal in Hawaii nei. People will find a way to gamble. Better have them do it legally instead of illegally. Please move this bill forward.
<u>SB-893-SD-1</u> Submitted on: 2/11/2025 2:25:26 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Stop being a nanny state and give the people what they want.

SB-893-SD-1

Submitted on: 2/11/2025 12:20:22 AM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

As a former member of the Waikiki Neighborhood Board, I previously opposed similar measures to legalize gambling. Economic developments since then have led me to change my mind. Post-pandemic, our tourism industry continues to struggle while we face renewned and stronger global competition for tourists attention and dollars. Hawaii is being left behind.

I believe this is the right proposal to put us on the path to properly legalize gambling. I strongly urge this Committee to SUPPORT this bill!

<u>SB-893-SD-1</u>

Submitted on: 2/11/2025 7:31:32 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephen Amaral	Individual	Support	Written Testimony Only

Comments:

There are so many illegal places for people to gamble here in Hawaii. The crimes there also involve shootings, assaults, etc. This should be brought out in the open to tax bets and improve the safety of our citizens.

Mahalo

Reference SB893

From Bobby Duffer

73-4338 Kapuahi St., Kailua Kona, HI 96740

For years gambling interests have submitted bills on opening up gambling in Hawaii. They have used different approaches and each year these have been rejected as being detrimental to Hawaii socially, economically, and morally. However, this year they are trying again with SB893.

I hope the wisdom of the past years will be expressed again this year.

Hawaii is a main family tourist destination. It offers wonderful recreational activities for all age groups. It has never made sense to try to appeal to a group of people that would exclude children. This would not increase tourists because some families would choose not to come to Hawaii and expose their children to unhealthy activities involving gambling.

The tax benefit may not be as big as expected since the taxes would also have to have a new department to oversee the gambling industry. In addition, some tax money would need to be spent to help those who have or develop a gambling addiction.

There are other good reasons for reject this measure as has been expressed in previous years. I hope this year's Senate will exercise the wisdom of past ones and reject this bill.

Sincerely,

Bobby Duffer

SB-893-SD-1 Submitted on: 2/12/2025 11:14:08 AM

Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Sharon Martin	Individual	Oppose	Written Testimony Only

Comments:

TO: Senate Committee on Economic Development & Tourism

Senator Lynn DeCoite, Chair

Senator Glenn Wakai, Vice Chair

Senate Committee on Commerce & Consumer Affairs

POSITION: OPPOSE SB 893 SD1 Relating to the Economy.

Dear Senators,

Among local Hawaii residents, Las Vegas is a popular destination primarily for gambling. Thankfully, Las Vegas is in another state and not in ours. The landscape of our islands is unlike the other continental U.S. states. Allowing legalized casino gambling by granting 20-year casino licenses in the New Aloha Stadium Entertainment District and the Hawaii Convention Center will directly impact and pose negative social and ethical effects to our communities especially the surrounding communities.

While the economic impact is obvious, the social and ethical effects are also obvious: increases in crime (e.g. theft, fraud, money laundering, petty crimes such as shoplifting, pickpocketing), violence, gambling addiction, negative mental health consequences of people directly involved and their families, and the overall negative impact to local communities. No resident would want that in their community.

In general, the lure of gambling is seen as a possible way to improve one's financial situation. Unfortunately, gambling rarely pays off and tends to worsen financial situations, increasing debt burden and may lead to a greater number of bankruptcies. Unfortunately, no impact is more impactful than on the immediate family and loved ones who personally deal with greater financial burdens and/or financial instability outcomes as well as mental health outcomes.

Moreover, small businesses (e.g. shops, restaurants, family-owned venues) located near casinos will struggle to compete with casinos and may be forced to relocate or close causing a negative impact on residential communities. If a casino becomes the dominant economic source in an

area, it could also be subject to downturns or shifts in consumer habits, which means the surrounding areas could suffer economically as well.

I strongly urge you to vote NO on SB 893 SD1. Let's keep Hawaii and all our Ohanas safe.

Mahalo for your time and consideration.

Respectfully,

Sharon Martin Windward Oahu resident

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 12:42:39 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Daniel Chinen	Individual	Oppose	Written Testimony Only

Comments:

Dear Chair, Vice Chair, and members of the committee,

I oppose this measure to legalize gambling. Please do not do this in our Hawaii.

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 12:50:16 PM

Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Dawn O'Brien	Individual	Oppose	Written Testimony Only

Comments:

Aloha Committe of Leader-Representatives for Hawai'I

Mahalo for your time-treasure & talent to represent WE THE PEOPLE!

I stand in opposition to this bill as it will lead to increased crime, addiction & social disruption, with minimal benefits to outweigh risks to the community's well-being. Please stop this, it's hugely detrimental and NOT beneficial.

TY for your time, i strongly oppose this Gambling bill for the obvious reasons that are scientifically supported in surveys & reports nationwide. I strongly urge you to represent our Aloha State citizens and oppose this bill.

Gratefully Always,

Dawn O'Brien

Pres., H.O.P.E. HI, Inc.

Aloha Ambassador, *CHOOSE ALOHA* Program

<u>SB-893-SD-1</u>

Submitted on: 2/12/2025 12:51:43 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Michael Botello	Individual	Oppose	Written Testimony Only

Comments: I do not support legalizing casino gambling in Hawaii. This will have a detrimental impact on our community, preying on the addictions of those who can least afford to lose money. Please do not introduce this into our island communities. thank you

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 1:00:21 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Leslie J.	Individual	Oppose	Written Testimony Only

Comments:

Committee members, please defer this measure. Mahalo!



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 1:07:40 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Nani	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and members of the committee,

My name is Nani and I oppose SB 893 relating Casino Gaming

This is a pathway to further distruction of our aina and culture. The time of selling out Hawaii needs to stop. Currently we can not even support/control abuse of power and curruption within the Liquor Commission.

Can we focus on fixing our aging infrustructure before we consider selling out more of hawaii and marginalizing our generational hawaii families even more. With the current struggles of our economy, this only introduces more problems to our community. Worst yet, this bill was introduced on January 17th talk about a slap in the face to the already usurp and abuse of our Hawaiian nation. Shame on you who all vote yes to this bill.

Sincerely disappointed,

Nani



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 1:55:14 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Tosa Lobendahn	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and members of the committee,

I humbly support SB893

With the number of illegal game rooms on the rise, and the rate of shootings along with it, it only makes sense to bring gambling to Hawaii. As a member of the Iroquios Confederacy, i believe the revenue it brings to the state will help leverage us in times of need :)

Mahalo!

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 3:42:05 PM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Opal June Duffer	Individual	Oppose	Written Testimony Only

Comments:

I am opposed to legalizing gambling in Hawaii in any form because of its detrimental effect on families. Living not far from Reno, NV, for several years convinced me of the deceit of gambling interests that gambling provides funds for schools. The experiences of people we met showed that gambling just deprives families of money they need to provide for their families.

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 4:29:34 PM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Barilyne Sakamoto	Individual	Oppose	Written Testimony Only

Comments:

I'm Barilyne Sakamoto and I oppose bill SB893 which allows gambling in Hawaii. Gambling hurts families and the vulnerable since people may see it as a fix to the financial struggles. Though it will only lead to addiction, bankruptcy, homelessness, and family breakdown. And gambling will bring more crime and corruption to our islands. This is because gambling attracts organized crime, money laundering, and human trafficking. Please check into the states who have legalized gambling **you will see that instead of making things better for the economy it ended up only making things worse for the people living in those states. So please do not pass this bill.**



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 5:02:09 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Ron Yoshida	Individual	Oppose	Written Testimony Only

Comments:

Dear Honorable Senators,

I am in heartfelt OPPOSITION to SB 893 that would legalize gambling in Hawaii. Let's keep Vegas in Nevada and not turn our beloved Hawaii into a Gambling destination which would invite all the other negative elements of society that follow Gambling.

Mahalo,

Ron Yoshida

(808) 265-5566

<u>SB-893-SD-1</u>





Submitted By	Organization	Testifier Position	Testify
Stacelynn Eli	Individual	Oppose	Written Testimony Only

Comments:

Please defer this bill. It will put the safety of Native Hawaiian Women and girls in jeopardy and subject them to an increase in violence. Mahalo for your consideration.



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 7:01:54 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Charlene Mersburgh	Individual	Oppose	Written Testimony Only

Comments:

I oppose any casinos in Hawaii!



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 7:58:49 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Lee Uchiyama	Individual	Support	Written Testimony Only

Comments:

I support this.



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 9:52:39 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I support this bill.



<u>SB-893-SD-1</u> Submitted on: 2/12/2025 9:55:24 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

I support SB893.

<u>SB-893-SD-1</u> Submitted on: 2/12/2025 10:41:36 PM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Marion Logan	Individual	Oppose	Written Testimony Only

Comments:

Dear Members of the Committee,

I stand in strong opposition to Legalized Gambling in Hawaii. We already have a houseless, addiction, and financial crisis facing our islands. Why for some potential small economic benefit would we add mass gaming that would have great social costs? On a very basic level, higher sports betting has caused increased credit card debt. Even a few hundred dollars overage could be the difference for our vulnerable populations. Is this something we can afford?

Please kill this bill!

<u>SB-893-SD-1</u>

Submitted on: 2/13/2025 10:07:24 AM Testimony for EDT on 2/13/2025 1:03:00 PM



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

Comments:

I am in strong opposition of this bill This bill SB893 would introduce casino gambling, harming our families and communities. Once the door is open, it can never be closed.

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 10:47:37 AM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Cedric Duarte	Individual	Oppose	Written Testimony Only

Comments:

The measure makes no mention of financial support or specific inclusion for the native Hawaiian community and should not be passed.

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 11:21:15 AM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Carolina Jesus	Individual	Oppose	Written Testimony Only

Comments: Do not legalize gambling in Hawaii. It will destroy our already desperately struggling lower income population. Gambling becomes an addiction. We already have a significant percentage of our population battling substance abuse addiction. Do not add another devastating addiction to our society. Oppose SB893, strongly!

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 12:34:46 PM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Rokeuaine Letua	Individual	Oppose	Written Testimony Only

Comments:

I strongly disagree with this bill and what this will create in our communities, with gambling addiction, strong arm movement among the people who owe money. Addicted behaviors and violence will run rampant in the families because of debts and divorce rates will be higher. This bill will only create and increase the under world businesses.



<u>SB-893-SD-1</u> Submitted on: 2/13/2025 12:44:13 PM Testimony for EDT on 2/13/2025 1:03:00 PM

Submitted By	Organization	Testifier Position	Testify
Gail H. Kuba	Individual	Oppose	Written Testimony Only

Comments:

Aloha e Senators,

I oppose SB893, gambling casinos in the new Aloha Stadium! As a retired school teacher the dangers of Gambling as well as the SB1613 Legalizing marijuana will cause many societal, economic, the Family, physical ills! Increase in robberies against stores, etc. We can raise finances another way, Please, Please, Please considering voting NO on these two bills. Mahalo nui loa for the sake of our children and Hawai'i!! Aloha e Ke Akua, GKuba



<u>SB-893-SD-1</u> Submitted on: 2/13/2025 1:06:45 PM Testimony for EDT on 2/13/2025 1:03:00 PM

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

Comments:

Chair DeCoite, Vice Chair Wakai, and EDT Committee Members: Chair Keohokalole, Vice Chair Fukunaga, and CPN Committee Members:

I write in support of SB 893, SD 1, which would authorize 20 year casino licenses in the "entertainment district" planned for the Aloha Stadium site and the Hawaii Convention Center. The Convention Center is probably the best site for a prospective casino given its proximity to Waikiki and available space and parking that can be quickly turned around. In contrast, the stadium has yet to be demolished, and the space could likely be dedicated to mix-use urban infill that includes housing, retail, and open space

I am not a fan of casino gaming or casinos, but many in our islands and across the globe have an affinity for games of chance in that kind of environment. Those opposed to gaming need not be patrons of those establishments.

As a general matter, the government should provide a workable framework of regulations to ensure that business is conducted in an appropriate fashion, including mitigation of foreseeable negative externalities associated with the regulated conduct.

Prohibition is not working except for those who are involved in illicit gaming operations. Prohibition also works for national casinos catering to the Hawaii market. Prohibition also works for political actors who gin up popular fears and perpetuate stigma against "others" to their perceived advantage.

To the extent that legal gaming venues will curb the demand for illicit gaming, this could have a positive impact on those residential areas now marred by not-so-clandestine game rooms and the risks for theft and violence posed by them. At the same time, the state would be able to generate additional tax revenues to fund its ongoing budget priorities.

Among these priorities should be the additional funding for the Department of Hawaiian Home Lands to provide housing opportunities for beneficiaries who have been on the list for far too long. Additionally, funds could be used to support the health and well-being of the rural neighbor islands through improved health care access and regenerative agriculture projects.

Mahalo for the opportunity to provide testimony.

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 2:27:34 PM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Dale Atsuko Stevens	Individual	Oppose	Written Testimony Only

Comments:

I am in opposition of bill SB893

<u>SB-893-SD-1</u> Submitted on: 2/13/2025 2:28:19 PM Testimony for EDT on 2/13/2025 1:03:00 PM



Submitted By	Organization	Testifier Position	Testify
Rita Wong	Individual	Oppose	Written Testimony Only

Comments:

I strongly oppose SB893