



LINDA LINGLE
GOVERNOR

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LT. GOVERNOR

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LAWRENCE M. REIFURTH
DIRECTOR

RONALD BOYER
DEPUTY DIRECTOR

TO THE HOUSE COMMITTEES ON JUDICIARY

AND

CONSUMER PROTECTION AND COMMERCE

TWENTY-FIFTH STATE LEGISLATURE
REGULAR SESSION, 2010

Thursday, February 4, 2010
2:15 p.m.

TESTIMONY ON HOUSE BILL NO. 2251
RELATING TO GAMING.

WRITTEN TESTIMONY ONLY

TO THE HONORABLE JON RIKI KARAMATSU AND ROBERT N. HERKES, CHAIRS,
AND MEMBERS OF THE COMMITTEES:

The Department of Commerce and Consumer Affairs (Department) appreciates the opportunity to provide testimony on House Bill No. 2251, Relating to Gaming. My name is Lawrence M. Reifurth, and I am the Department's Director. House Bill No. 2251, among other things, proposes to:

- (1) Establish a Gaming Commission (Commission) within the Department;
and
- (2) Require the Commission to: (a) establish the qualifications for licensure to conduct casino gaming operations, (b) evaluate applicants for licensure and award one five-year license to a qualified applicant who submits the

highest bid, (c) collect taxes and fees, (d) administer a problem gamblers program, and (e) regulate casino gaming operations.

The Governor has publicly stated her opposition to gaming, and on behalf of the Administration, the Department reiterates that opposition.

Additionally, as the bill proposes to regulate the casino gaming operations profession, which is currently unregulated, an Auditor's analysis is required to be performed on the proposal pursuant to section 26H-6, Hawaii Revised Statutes (HRS). A concurrent resolution requesting the Auditor to analyze the probable effects of the bill and whether the bill's enactment is consistent with the policies set forth in section 26H-2, HRS, needs to be adopted by the Legislature.

Thank you for the opportunity to present testimony on the bill.

DEPARTMENT OF THE PROSECUTING ATTORNEY
CITY AND COUNTY OF HONOLULU

ALII PLACE
1060 RICHARDS STREET, HONOLULU, HAWAII 96813
AREA CODE 808 • 527-6494

PETER B. CARLISLE
PROSECUTING ATTORNEY



DOUGLAS S. CHIN
FIRST DEPUTY
PROSECUTING ATTORNEY

THE HONORABLE JON RIKI KARAMATSU, CHAIR
HOUSE JUDICIARY COMMITTEE
Twenty-fifth State Legislature
Regular Session of 2010
State of Hawai'i

February 4, 2010

RE: H.B. 2251; RELATING TO GAMING.

Chair Karamatsu and members of the House Committee on Judiciary, the Department of the Prosecuting Attorney submits the following testimony in opposition to H.B. 2251.

The purpose of this bill is to establish a gaming commission within the Department of Commerce and Consumer Affairs which will have the authority to regulate casino gaming operations. The bill also provides for a wagering tax that will pay for the administrative costs of the commission and fund a problem gamblers program with excess revenue going to the state's general fund. In addition, this bill restricts gaming in the casino to persons at least 21 years of age who are non-residents of the State or who possess a valid and fully-paid round trip ticket or voucher.

We understand the allure of gambling as an attractive solution to Hawaii's economic problems. However, we oppose the introduction of casino gambling to Hawaii because we believe any economic benefits provided by gambling are far outweighed by increased crime rates.

In Hawaii, organized crime has already had its hand in the till of illegal gambling for several decades. With the promise of the economic windfall legalized gambling will bring, why would we suppose that organized crime will not find legalized gambling to be as tempting or lucrative? We fully expect that if gambling is legalized in Hawaii, that there will be an increase in attendant crime problems.

We do note that this bill limits access to gaming to only adult non-residents, but we question whether Hawaii can build a casino and resist the temptation to expand its revenue base to include residents. Hawaii already is a popular tourist destination because its weather, culture

and many family oriented activities; however in the past, our tourist market has sometimes dropped heavily because of events such as the terrorist attacks of Sept. 11, 2001. In tough economic times when travel is down, we can foresee very strong pressure to allow residents to access gaming in the casino so that the casino can continue to operate.

For these reasons, we oppose the passage of H.B. 2251 and respectfully request that you hold this bill. Thank you for this opportunity to testify.

From: Tracy A Ryan [tracyar@hawaiiantel.net]
Sent: Wednesday, February 03, 2010 8:29 AM
To: JUDtestimony
Subject: testing
Attachments: image001.jpg

The Libertarian Party of Honolulu County
c/o 1658 Liholiho St #205
Honolulu, HI 96822

TESTIMONY

RE: HB 2251 to be heard Thursday, February 4, 2010 at 2:15 PM in conference room #325

To the Members of the House Committees on Judiciary and CP&C

The Libertarian Party of Honolulu supports the intent of HB 2251. It is aimed at reviving the discussion about allowing legal gambling into Hawaii. However, **the bill is crippled** by its overbearing language aimed at "protecting" Hawaii residents from gambling. The clauses limiting the legal right to gamble to non-residents are likely unconstitutional under both the Hawaii and Federal Constitutions.

The Legislature must decide whether the gaming industry is a moral evil they wish to prohibit or an acceptable form of recreation and income for the State. HB 2251 indicates that it is acceptable if the State Government can make money off it, but not if the citizens of the State choose to engage in it. This is hypocrisy.

The Libertarian Party believes in the rights guaranteed to Hawaii residents under our State Constitution. Under Article I, Section 2. Individuals are described as free by nature and equal in their inherent inalienable rights; rights that include life, liberty and the pursuit of happiness, and the acquiring and possessing of property. I challenge anyone to explain by what torturous interpretation of this clause our laws against gambling can be considered constitutional.

Sincerely:



Tracy Ryan
Oahu County Chair, The Libertarian Party of Hawaii

Hawai'i Coalition Against Legalized Gambling

1124 Fort Street Mall, Suite 209
Honolulu, HI 96813

COMMITTEE ON JUDICIARY CONSUMER PROTECTION & COMMERCE

Thursday, February 4, 2010
2:15 p.m., Conference Room 329

Member Organizations

Advocates for Consumer Rights
Animal Rights Hawaii
Buddhist Peace Fellowship
Christian Voice of Hawaii
Church of Jesus Christ of Latter-day Saints
Church of Perfect Liberty
First Christian Church (Disciples of Christ)
First Unitarian Church of Honolulu
Hale Kipa
Hawaii Assemblies of God
Hawaii Association of International Buddhists
Hawaii Christian Coalition
Hawaii Conference of Seventh-day Adventists
Hawaii Conference of the United Church of Christ (UCC)
Hawaii District United Methodist Church
Hawaii Family Forum
Hawaii Pacific Baptist Convention
Hawaii Rainbow Coalition
Hawaii Religions for Peace
Hawaii Youth Services Network
Honolulu Friends Meeting (Quakers)
Honolulu Police Department
Institute for Religion and Social Change
Interfaith Alliance Hawaii
Kokua Council
League of Women Voters of Hawaii
Life of the Land (Hawaii)
Dr. Martin Luther King, Jr. Coalition Hawaii
Mestizo Association
Muslim Association & Islamic Center of Hawaii
Pacific Gateway Center
Presbytery of the Pacific
Saints Constantine & Helen Greek Orthodox Church
Small Business Hawaii
Soto Zen Mission of Hawaii
Temple Emanu-El
Windward Coalition of Churches
The Woman's Board of Missions for the Pacific Islands (UCC)

Cooperating Organizations

Chamber of Commerce of Hawaii
Catholic Diocese of Honolulu
Hawaii Bankers Association
Hawaii Business Roundtable
Hawaii State PTSA
Hawaiian Humane Society

Chair Karamatsu, Vice Chair Ito and members of the Judiciary Committee
Chair Herkes, Vice Chair Wakai and members of Consumer Protection & Commerce Committee

Testimony on HB 2251 RELATING TO GAMING

My name is Tom Kay and I am speaking as a kamaaina attorney on behalf of the Hawaii Coalition Against Legalized Gambling. The members of HCALG represent a wide range of Hawaii residents numbering in the thousands who are all strongly opposed to the enactment of any legislation that would allow legalized gambling in Hawaii. Once one form of gambling is introduced, others will surely follow in time, thereby corrupting our state.

The islands that form the state of Hawaii are unique in the world. Visitors come to enjoy the balmy weather, the lush vegetation, the waterfalls, the white sandy beaches and turquoise blue ocean, the outdoor activities that include surfing, swimming, scuba diving, sailing, fishing, golf, tennis, hiking, and the the flower lei, the Hawaiian music and dance and the Aloha spirit of the island people. Visitors do *not* come to Hawaii to spend their time shut up indoors gambling in a casino.

During these difficult economic times, most visitors come with limited funds to spend on experiences unique to the islands and have no surplus for gambling. The tourist industry would suffer additional losses if visitors spent their vacation money gambling in a casino.

We recognized that the state of Hawaii is facing a recessionary period, but this has happened in the past. We have recovered and we will recover again without legalized gambling.

Lastly, it should be recognized that in the amount of time required to put a casino into full operation, purportedly to help the economy, the recession will be over.

H. Thomas Kay, Jr.
1516 Kamole Street
Honolulu, HI 96821



Unity House, Inc.

"Sewing Hawaii's Working People"

February 2, 2010

Representative Jon Riki Karamatsu, Chair
Representative Ken Ito, Vice Chair
Committee on Judiciary

Representative Robert N. Herkes, Chair
Representative Glenn Wakai, Vice Chair
Committee on Consumer Protection and Commerce

RE: HB2251 Relating to Gaming

Dear Chair Karamatsu, Vice Chair Ito, Chair Herkes, Vice Chair Wakai and Members of the Committee:

This letter is written on behalf of our organization in support of HB 2251 which calls for a single, stand-alone casino in Waikiki and creation of a Hawaii Gaming Commission to oversee the operation of that casino.

Unity House currently owns multiple properties in Waikiki, including the recently purchased Lotus Hotel at Diamond Head (formerly know as the W Hotel). We are concerned about the future of tourism because of the increasing competition around the Pacific, and also the welfare of our more than 10,000 plus beneficiaries who are struggling to maintain their lifestyles in these hard times.

We are not in support of multiple gambling operations in Waikiki because we do not want Hawaii to be known as a Gambling Destination, nor do we want gambling to be a major economic pillar of our Visitor Industry. We also do not support a lottery, as a lottery will create only a few jobs and not bring outside money into Hawaii. However, we are OK with the proposed establishment of a single casino as an entertainment amenity in Waikiki, so long as the following criteria are followed:

- a. The legislation should ensure that only one casino is opened in Waikiki;
- b. The legislation should ensure that no less than 500 new jobs are created for local residents;
- c. The legislation should be written so that no single hotel, or hotel chain, will benefit from the casino because it will be stand alone. That way all hotels in Waikiki can benefit equally;
- d. We agree with the concept that social problems must be minimized by the one casino. However, we are not certain that the idea proposed in HB 2251, that persons must be nonresidents or have round-trip tickets for destinations outside of Hawaii, will meet judicial requirement. Some individuals may claim discrimination. Thus, we would encourage changing HB 2251 to include a provision that anyone attending the casino must first register for an overnight stay in a Waikiki hotel. This would effectively block the very poor, who should not be gambling, from going to the casino because they could not afford the hotel cost. More than that, it could raise the occupancy of all Waikiki hotels because those local people who can afford to gamble might stay overnight in Waikiki once in a while, as opposed to going to Las Vegas.

UNITY HOUSE, INC., a Hawaii Non-Profit Corporation for the benefit of Hawaii's Working People
1701 Ala Wai Boulevard • Honolulu, Hawaii 96815 • Ph: (808) 945-0050 • Fax (808) 944-0056



Unity House, Inc.

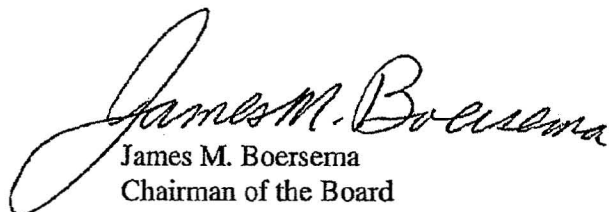
"Serving Hawaii's Working People"

- e. To prove that they are registered in a Waikiki hotel, casino attendees should be required to purchase a one-day ticket at their hotel. This ticket, along with their hotel receipt, would allow the casino to verify that the attendee is really staying in a hotel. State gaming rules should be written to somehow ensure that the casino staff does not allow anyone into the casino who does not have a hotel ticket, or the casino staff can be fined or prosecuted for breaking the law;
- f. Finally, the State must receive a fair market financial return in the nature of a gross revenue tax for allowing the single casino to operate.

In short, the single casino should be no more than an entertainment amenity that primarily targets or off-island visitors and secondarily targets local residents who can afford to gamble. This could help provide many new jobs, generate increased occupancy for the hotels and generate new revenue for our government.

Thank you for considering this legislation. If you wish to talk to me directly, I can be reached on my cell phone at 479-9013.

Sincerely,



James M. Boersema
Chairman of the Board

UNITY HOUSE, INC., a Hawaii Non-Profit Corporation for the benefit of Hawaii's Working People
1701 Ala Wai Boulevard • Honolulu, Hawaii 96815 • Ph: (808) 945-0050 • Fax (808) 944-0056

To: Chair Jon Riki Karamatzu, Vice Chair Ken Ito
Committee on Judiciary

When: Thursday, February 4, 2010 at 2:15 pm

Where: Conference Room 325

When: HB 2251 Relating To Gambling

Chair Karamatzu and Committee

I am speaking against HB 2251. My name is Grace Furukawa and I represent the League of Women Voters of Hawaii in the Hawaii Coalition Against Legalized Gambling. The League has been opposed to any form of legalized gambling in Hawaii for over 10 years. The independent studies from the University of Illinois and others over the years have shown that while appearing to be a source of money for the state, it is anything but. Professor Kindt of the U. of Illinois who came to Hawaii last year claims that for every \$1.00 earned from gambling, \$3.00 is spent by the state to mitigate the problems caused by gambling. I would warn legislators of studies produced or paid for by the gambling industry who are notoriously biased. The Chief of Police here understands the cost of increased police presence necessary. The cost of investigating and prosecuting corruption is another reason for opposing this bill according to our Prosecuting Attorney Peter Carlisle. If the money to finance the casinos come from the mainland, all the profits will leave the state.

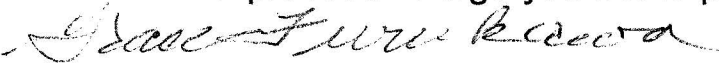
This bill is aimed at our visitors. Our visitors come to Hawaii with a finite amount of money which, if spent at the gambling tables, will not be spent in our gift shops, restaurants and other local businesses. The immediate effect will be felt by our small businesses. We cannot afford to do this to our local businesses who are struggling these days to stay alive and keep their employees.

Who will appoint the commission? We need more information on what

happens after the five years. The limit of five years to a license for gambling infers that we could make up our mind after that to keep gambling or end it. Believe me, once the gambling money flows into campaign treasuries, the legislators will be addicted to that money to keep their seats. And there will be so much money from the gambling industry, especially since the Supreme Court decision. This money is not free. There will be heavy pressure to promote and keep and spread gambling. It is well assured we will never get rid of it,

Since this bill restricts gambling in counties with more than 500,000 people, it is aimed at Honolulu. Do we want Las Vegas in Honolulu? Can we compete with the glitz, the shows of Las Vegas? Why would visitors want to come to Hawaii if they loved gambling, when Las Vegas offers so much more?

The issues involved here with gambling are far more complicated than have been expressed. I urge you not to pass this bill.


Grace Furukawa, League of Women Voters
3604 Woodlawn Terrace Place
Honolulu, HI 96822
988-3532



CAPITOL CONSULTANTS OF HAWAII, LLP
222 South Vineyard Street Suite 401, Honolulu, Hawaii 96813
Office: 808/531-4551 Fax: 808/533-4601
Website: www.capitolconsultantsofhawaii.com

February 3, 2010

Representative Jon Riki Karamatsu, Chair
Representative Ken Ito, Vice Chair
Committee on Judiciary

Representative Robert N. Herkes, Chair
Representative Glenn Wakai, Vice Chair
Committee on Consumer Protection and Commerce

RE: HB2251, Relating to Gaming

Dear Chair Karamatsu, Vice Chair Ito, Chair Herkes, Vice Chair Wakai and Members of the Committee:

My name is John Radcliffe and I am an advocate of having legalized, regulated, gaming entertainment in Hawaii. Hawaii has a huge, illegal, unregulated, untaxed, gambling enterprise that easily runs into the hundreds of millions of dollars. And of course, we export somewhere between a billion dollars and half a billion after tax gaming dollars to legal gaming venues in other states. Making gaming legal in Hawaii is the most intelligent thing that this Legislature could do this year.

I want legalized gaming here for one reason only: it will enhance the quality of our lives by creating jobs and wealth which we can all share.

Let me tell you both the historical and the immediate reasons why I favor permitting a casino on Oahu.

To give you some context, although we think now that there has always been a social safety net, the fact is that it is very new. None of the extensive array of benefits that we now enjoy and that you and other government leaders in other states and at the federal level, are having to cut back today, were in existence until 1939.

We Democrats began Social Security, our oldest social service safety net, only seventy years ago, in 1940. The first person in the country to get social security benefits was Ida May Fuller, a Vermont legal secretary, who retired on January 1, 1940, with a monthly benefit of \$22.54. Ida May fooled everybody by living to be a hundred years old. She died in 1975, and her lifelong benefit over thirty five years, was a little over a total of \$22,000. Social Security, even today, and even if you live to be one hundred, is not much of a safety net. And it is being cut back. Medicare, which is in big trouble today—and is being cut back, was not introduced in the United State until 1966. Cost of living adjustments for Social Security were begun in 1975. Everyone thought they were inevitable but they have ended this year, 2010.

Here in Hawaii all benefits are on the block. As policy makers you are cutting out whole swathes of state government. Whether it is the Department of Agriculture where we can no longer satisfactorily safeguard agricultural products, or the various other departments that monitor imports, foodstuffs, or whatever—we can no longer afford to adequately protect our citizens. Even the courts are closed on certain days. And speaking of gambling, if a citizen is arrested on certain days of the week, he or she must automatically go to jail instead of making bond, because the protective agencies have too few people to do the job of handling bond release. Never mind the 8th Amendment to the United States Constitution. We are quickly gaining a reputation of not being able to afford a competent government, even as we enhance our existing reputation for being a “Tax Hell.”

The examples are too numerous to mention.

In other places children ride the bus to school, and must attend at least 1,137 hours of instruction per year, and go to school for 180 days. Here, more and more, they must walk to school if they want to go at all, and they attend a shorter day, and have a shorter year. We can no longer afford very much public education. Compared to other states, our kids go to school only about 60% of the time that they do elsewhere. Our kids are being shortchanged. It is terribly inequitable. But then we all are suffering.

And when we refer to “revenue enhancement,” in Hawaii we mean raising taxes—not creating more wealth. Even if this legislature raises the GET a full one percent, lays off as many public employees as can be, and takes about \$4,000, on average from all of those public employees who remain, you legislators will not be able to close the budget gap. Even if you reconfigure bonds and take away benefits from retiree, you cannot close the budget gap. If you raise every tax we now have, and dream up a lot more taxes, you still will not be able to close that budget gap.

We Democrats built the American safety net and the safety net in Hawaii for our people during the last seventy year, and now it has become too large to sustain, and it must be cut back. Here in Hawaii there is always a lot of talk about sustainability and about jobs in these halls. But surely legislators realize that raising state taxes more, and depending on the federal government more, is just not sustainable, and does nothing to increase jobs in any long term, meaningful, way.

The point is that we here in Hawaii can no longer depend on raising taxes and cutting services to achieve a just society. . Nor can we depend on our tiny, but wildly successful, Congressional delegation to keep bringing in more and more federal dollars. Those days are over. That money is drying up.

We are on our own. We have to build our own destiny. But destiny's path is not always upward, it depends on us, specifically, it depends on you. We need new enterprise, new industry—more. We need more.

Specifically we need casino gaming as an economic tool to bring in more and different tourists. Because a lot of people have been coming here in recent years, too many in that industry and others, think that they always will. They won't, necessarily. We need to evolve our products, add to them, build new things for people to see and do.

I am attaching to this testimony an executive summary of a 75 page economic impact analysis paper that we had commissioned at the end of 2000 that called for doing double what we are asking for now.

Times were tough then, but nothing like they are now. We thought then, that Hawaii's economic future could be protected with two casinos located on Oahu. That study was never refuted by anybody. We showed then that almost 20,000 new jobs would have been created, and that taxes from: gaming revenue, GET, and new income, would have produced about \$143,000,000.00 in new taxes per year. Because of the opposition from some church groups and others, we are suggesting that Hawaii be limited to one casino on Oahu only.

When I last appeared before the Legislature on this issue a decade ago, there were about 500 casinos in the United States and today there are 865 and the number is growing. Forty eight states employ some form of gaming in order to gain more economic power and keep their governments and social services healthy. Thirty states already share 865 casinos. There are still none in Utah and none in Hawaii.

In the end, this legislature may again refuse to try to exercise this tool for enhancing our economic well being. But shouldn't you keep your options open?

Thank you for the opportunity to submit written testimony.

Respectfully Submitted,

John H. Radcliffe
Vice President

DECEMBER, 2000

**MARKET AND ECONOMIC IMPACT ANALYSIS
TWO CASINOS ON THE ISLAND OF OAHU**

Prepared By:

**MICHIGAN CONSULTANTS
426 W. Ottawa
Lansing, Michigan 48933
517-482-0790
Jacob Miklojcik, President**

Assisted by:

Lawrence B. Boyd, Ph.D. University of Hawaii

EXECUTIVE SUMMARY

MARKET AND ECONOMIC IMPACT ANALYSIS

TWO CASINOS ON THE ISLAND OF OAHU

PURPOSE AND SETTING

The report analyzes the market and the economic impacts derived from the construction and operation of two landbased casinos on the Island of Oahu. Care is taken to distinguish dollars that are new or retained in Hawaii from spending that is simply an intra-state shift. The document includes information on the importance of tourism to the Hawaiian economy and identifies the downward trends during the past decade. The increasing competition from new and emerging casino venues is emphasized. The report also discusses various other community impacts, and contrasts landbased casinos with shipboard gaming.

The analyses of the impacts coupled with the review of tourism trends form a strong argument for the creation of the two casinos. A central theme develops that *it is entirely logical that a person who withheld support for past gaming proposals during other economic times would now decide to support the dual Oahu casino approach given the financial soundness of the proposal and the competitive and economic realities facing Hawaii.*

MARKET CAPTURE ESTIMATES

A comprehensive methodology, detailed in the full report, arrived at substantial estimates for the market capture by the two casinos:

Total casino visits	6.8 million annually
Total gaming hold	\$431 million annually
Total hold as % of existing US markets	less than 1.4%
Total non-shifted gaming hold	\$309 million annually
% Of total hold that is non-shifted	72%

CAPTURE OF NON-SHIFTED GAMING AND NON-GAMING SPENDING

Crucial to determining the economic impacts is the identification of the source of spending and whether any of the dollars are shifted from existing in-state spending. The methodology uses a series of calculations within four major spending categories. In all cases conservative factors/assumptions are chosen. The analysis considers both gaming and non-gaming spending (such as restaurants, lodging, retail, etc.). The Table below displays the results.

NON-SHIFTED GAMING AND NON-GAMING SPENDING CAPTURE			
Category	Gaming	Non-Gaming	Total \$ Annually
"Existing" Visitors	147,862,365	95,834,726	243,697,091
New Visitors Due To New/Expanded Convention Center Events	9,178,200	133,440,000	142,618,200
New Visitors Due to Gaming Option	93,600,000	156,000,000	249,600,000
Residents	58,590,649	17,366,591	75,957,240
TOTAL	\$309,231,214	\$402,641,317	\$711,872,531

The totals represent only small fractions of the tourist spending now generated by casinos in the United States. Anyone with confidence in Hawaii can agree that the proportions are obtainable given the other attributes of the state.

The report offers a sizing scenario for descriptive purposes, although the ultimate decisions will rely on a variety of local design and site factors. The total on-site investment would likely be at least \$375 million.

EMPLOYMENT AND PUBLIC REVENUES

The capture of the additional spending generates new jobs. The employment is located not only on-site (at the casinos), but also off-site due to the non-gaming spending. The casinos will also be major purchasers of goods and services from local firms, spawning additional jobs. This direct and indirect employment creates sequential rounds of spending within the economy, thereby creating further employment opportunities. The full-time job estimates displayed below in all cases are derived from "non-shifted" spending only.

On-going Employment from Non-Shifted Spending

From Non-Shifted Gaming Spending	3,436
From Non-Shifted Non-gaming Spending	4,973
At In-state Casino Subcontractors.....	1,139
Non-Shifted Direct and Indirect Employment Subtotal	9,549
Potentially Created By Multiplier Effect	10,026
Total Net Jobs	19,575

A capital investment of \$375 million would also directly generate approximately 3,000 employee years in the construction industry, along with additional jobs from sequential rounds of spending. There is also likely to be additional spin-off investment on the part of area hotels, restaurants, and retail establishments.

The report estimates the major categories of incremental public revenues:

Gaming Tax from Non-Shifted Spending (@ 10%)	\$37.0 million
Incremental Income and Excise Taxes (Non-Shifted)	\$34.7 million
Total Incremental Tax Revenues (from items estimated)	\$71.7 million

Various other impacts were identified that will likely lead to additional public revenues, but formal numerical estimates would be premature. These include such items as parking revenues, taxes paid by casino contractors, taxi and rental car fees, building permits, airline fees, increased property tax revenues, etc.

GAMING COMPETITION AND THE HAWAIIAN ECONOMY

The Hawaiian economy is dependent upon Travel and Tourism. Yet, *in the casino gaming field, a crucial segment of its most important economic sector, the State does not compete.* A few aspects are particularly notable:

- Visitor levels stagnated during the 1990s at the same time that the mainland economy was flourishing. There has been an increase in visitors from the mainland in recent months, but the gains typically are no greater than or below the spikes in tourism at competing venues—a loss of market share has clearly occurred.

karamatsu1-Kenji

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 02, 2010 9:35 PM
To: JUDtestimony
Cc: mpeary1947@aol.com
Subject: Testimony for HB2251 on 2/4/2010 2:15:00 PM

Testimony for JUD/CPC 2/4/2010 2:15:00 PM HB2251

Conference room: 325
Testifier position: oppose
Testifier will be present: No
Submitted by: Margaret Peary
Organization: Individual
Address:
Phone:
E-mail: mpeary1947@aol.com
Submitted on: 2/2/2010

Comments:

I do not support casino gaming in the State of HI. Without casino gaming there is no need for a gaming commission. Gaming is a poor way to increase revenue for the State. Please don't open that door, it will only lead to problems.

Mahalo,

Margaret Peary

karamatsu1-Kenji

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 03, 2010 2:22 PM
To: JUDtestimony
Cc: rp_white@yahoo.com
Subject: Testimony for HB2251 on 2/4/2010 2:15:00 PM

Testimony for JUD/CPC 2/4/2010 2:15:00 PM HB2251

Conference room: 325
Testifier position: oppose
Testifier will be present: No
Submitted by: Renee White
Organization: Individual
Address: 1329-G Moanalualani Way Honolulu, Hi 96819
Phone: 808-839-9099
E-mail: rp_white@yahoo.com
Submitted on: 2/3/2010

Comments:

Dear Congressman,

It may be tempting with budget shortfalls to raise revenues with gambling in Hawaii. However, I am in opposition to any form of gambling in Hawaii.

Thank you,

Renee White, RN