

**SB4**

**TESTIMONY**

# Hawai'i Coalition Against Legalized Gambling

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## COMMITTEE ON JUDICIARY AND LABOR

### 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  
Common Cause  
Disciples of Christ  
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

Senator Clayton Hee Chair  
Senator Maile S.L., Shimabukuro, Vice Chair  
Wednesday, February 9, 2011  
9:00 am, Conference Room 016

## SUPPORT OF SB4

My name is H. Thomas Kay, Jr. I am attorney for the Hawaii Coalition Against Legalized Gambling. HCALG strongly supports SB4, related to gambling through vending machines that dispense "sweepstakes" game cards.

As you are aware, these types of sweepstakes vending machines have been operating in the islands for the past several years in a large number of bars, restaurants, convenience stores, and other retail establishments. It is clear that the machines are intentionally manufactured to have "payoffs" similar to slot machines and, without question, are being used as gambling devices.

There is strong legal precedent in numerous states including California, Colorado, Michigan, Indiana, Maryland, and Florida that the operation of sweepstakes game card vending machines, also called "ad-tab machines," constitute a form of gambling which is contrary to Hawai'i law and must be stopped.

Senate Bill 4 has been skillfully drafted to differentiate the operation of sweepstakes card vending machines, considered to be a gambling activity, from a chance to win something incidental to the sale of a bona fide product, which is not considered to be a gambling activity.

We strongly urge passage of SB4 so that operation of the sweepstakes card vending machines can be legally terminated and our state of Hawai'i will be rid of this obvious form of gambling.

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Email to: [JDLTestimony@Capitol.hawaii.gov](mailto:JDLTestimony@Capitol.hawaii.gov)  
Hearing on: Wednesday, February 9, 2011 @ 9:00 a.m.  
Conference Room #016

**DATE:** February 5, 2011

**TO:** **Senate Committee on Judiciary & Labor**  
Senator Clayton Hee, Chair  
Senator Maile Shimabukuro, Vice Chair

**FROM:** Allen Cardines, Jr., Executive Director

**RE:** Support for SB4 Relating to Gambling  
Strong Opposition to: SB 1097 Relating to Gaming

Honorable Chairs and members of the joint committee on Judiciary & Labor and Economic Development & Technology, I am Allen Cardines, representing the Hawaii Family Forum. Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii, representing a network of various Christian Churches and denominations. We strongly oppose this bill that would authorize shipboard gaming on vessels in our island waters. Hawaii is among only two States (Utah and Hawaii) in the nation where all forms of gambling remain illegal.

We support SB4 because sweepstakes vending machines and the like have operated in bars, convenience stores, and other establishments in Hawaii (per HRS 712). The operation of these vending machines (which we believe is just another form of gambling) would become illegal if SB4 passes. SB4 clarifies the law so that there would be a clear distinction in what is described as illegal gambling.

We oppose SB 1097 because it allows for a stand alone casino in Waikiki. Proponents of legalized gambling in Hawaii boast of its promise of economic revitalization and prosperity. There may well be an element of truth to their claims; however, greater scrutiny reveals a far different story. While it may be true that legalized gambling could potentially yield new jobs, the potential greater negative economic impact must also be considered. Not unlike the social costs associated with other addictive behaviors, compulsive gambling wreaks havoc on individuals, families, and communities.

The widespread proliferation of gambling on the mainland has produced very troubling consequences for the people and communities most closely associated with it. Those consequences include: increased violent crime, property crime, and drug-related crime; an increased influence of organized crime; increased addiction and family deterioration; a disproportionately adverse impact on youth and the poor; and, a net negative economic impact.



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Gambling is often associated with crime. The relationship is easy to understand. Many types of gambling have been, indeed still are, illegal. Hence, by definition, criminals are the only operators of games. When gambling restrictions are relaxed, criminals are the first to open up legal gambling establishments.

We should also point out the obvious. Lots of people in Hawaii travel to Las Vegas for fun and recreation. Those visits are 100% irrelevant to the simple issue at hand - should Hawaii become more like Las Vegas by legalizing gambling? To answer that question, we really should examine the data about what it is like to live in a place like Vegas.

This data should serve as a clarion call for all of us - a reminder of the compelling reasons the people of Hawaii and our elected representatives have consistently and steadfastly resisted the siren song of the big money gambling interests. It reminds us why "the Las Vegas effect" upon our islands would wreak havoc on our ohana based community and our aloha spirit.

How does Nevada rate in the nation? Nevada is number three in bankruptcies and abortions. Number four in rape, out of wedlock births and alcohol related death. Number five in crime, number six in prisoners locked up and number 50 in voter participation. This and other well-documented information is available through the Hawaii Coalition Against Legalized Gambling.

In response to this data, the Coalition's response seems appropriate: "Not in my Backyard." Shouldn't that be our collective community response?

It seems to me Hawaii is rather akamai for its continued rejection of legalized gambling. As we all know, Hawaii is special. This issue is no different - we are one of only three states in the nation that can boast of no legalized gambling. Let's work hard to keep it that way!

Mahalo for the opportunity to testify.