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## A BILL FOR AN ACT

RELATING TO GAMBLING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1       SECTION 1. The legislature finds that violent activity in  
2 and around illegal gambling houses has grown rampant in recent  
3 years, with reports of armed robberies, stabbings, and shootings  
4 becoming all too common. There have been reports of "turf wars"  
5 between factions, vying for security work at these  
6 establishments, which have resulted in multiple killings.

7       The legislature further finds that aside from physical  
8 violence, illegal gambling houses are known for being drug and  
9 sex trafficking establishments, as reflected by a report  
10 published on February 1, 2021, by the Hawaii state commission on  
11 the status of women. Citing a 2019 study conducted jointly with  
12 Arizona State University, the report found that twenty-two per  
13 cent of twenty-two sex trafficking victims were exploited in  
14 illegal game rooms in the State. A first-hand account stated  
15 that they would go to illegal game rooms around town and find  
16 drug dealers present. Another first-hand account stated they  
17 were responsible for moving young sex-trafficking victims, all



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1 under twenty-five years of age, who were on heroin and living in  
2 illegal game rooms as runaways from abusive homes. Due to these  
3 testimonies, the legislature believes that illegal gambling  
4 houses have a profoundly negative impact on communities across  
5 the State, particularly in residential neighborhoods.

6 The legislature further finds that existing law makes it  
7 nearly impossible for law enforcement to prosecute property  
8 owners whose properties are used as illegal gambling houses.  
9 Even if the same property owner repeatedly leases their property  
10 to individuals who use it as an illegal gambling house, there is  
11 practically no way to establish a property owner's knowing state  
12 of mind, if they do not visit the property and purportedly has  
13 no inclination of illegal gambling activities happening on their  
14 property. Individuals who work at illegal gambling  
15 establishments as cashiers, security, or similarly culpable jobs  
16 are typically charged under promoting gambling in the second  
17 degree, which is a misdemeanor. In comparison, promoting  
18 prostitution is a class B felony and applies to those with  
19 arguably less involvement in the business enterprise, such as  
20 drivers who refer passengers to a commercial sex worker for  
21 "kickbacks". The legislature believes that a misdemeanor level



1 offense is inconsistent with the dangerous effects that illegal  
2 gambling houses have on the surrounding communities.

3 In order to guard the safety and welfare of the State's  
4 citizens, and particularly residential neighborhoods, illegal  
5 gambling houses cannot be tolerated any longer and existing laws  
6 relating to the promotion of gambling need to be strengthened to  
7 deter and punish those who put the State's citizens at risk.

8 While the legislature believes that existing laws needs to  
9 be strengthened, it is not the intent to affect the significant  
10 exception that currently exists for social gambling as provided  
11 under section 712-1231, Hawaii Revised Statutes; and existing  
12 exceptions for trading securities or commodities, selling or  
13 purchasing insurance, and any other exceptions provided under  
14 section 712-1220, Hawaii Revised Statutes. It is the intent of  
15 the legislature to only affect the promotion of illegal  
16 gambling.

17 Accordingly, the purpose of this Act is to amend:

18 (1) The offenses of promoting gambling in the first and  
19 second degree to a class B felony and class C felony,  
20 respectively; and

21 (2) The requisite state of mind to criminal negligence.



SECTION 2. Section 712-1221, Hawaii Revised Statutes, is amended to read as follows:

**"§712-1221 Promoting gambling in the first degree.** (1) A person commits the offense of promoting gambling in the first degree if the person [~~knowingly~~] negligently advances or profits from gambling activity by:

(a) Engaging in bookmaking to the extent that the person receives or accepts in any seven-day period more than five bets totaling more than \$500;

(b) Receiving in connection with a lottery, or mutuel scheme or enterprise, money or written records from a person other than a player whose chances or plays are represented by such money or records; or

(c) Receiving or having become due and payable in connection with a lottery, mutuel, or other gambling scheme or enterprise, more than \$1,000 in any seven-day period played in the scheme or enterprise.

(2) Promoting gambling in the first degree is a class [C] B felony[-], without the possibility of probation or suspension of sentence."



1       SECTION 3. Section 712-1222, Hawaii Revised Statutes, is  
2 amended to read as follows:

3       "**§712-1222 Promoting gambling in the second degree.** (1)

4 A person commits the offense of promoting gambling in the second  
5 degree if the person [~~knowingly~~] negligently advances or profits  
6 from gambling activity.

7       (2) Promoting gambling in the second degree is a  
8 [~~misdemeanor.~~] class C felony, without the possibility of  
9 probation or suspension of sentence."

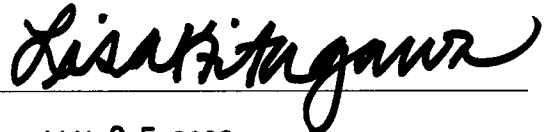
10       SECTION 4. This Act does not affect rights and duties that  
11 matured, penalties that were incurred, and proceedings that were  
12 begun before its effective date.

13       SECTION 5. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

15       SECTION 6. This Act shall take effect upon its approval.

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INTRODUCED BY:



JAN 25 2022



# H.B. NO. 2197

**Report Title:**

Honolulu Prosecuting Attorney Package; Criminal Offense;  
Promoting Gambling

**Description:**

Amends the offense of promoting gambling in the second degree to a class C felony without the possibility of probation or suspension of sentence. Amends the offense of promoting gambling in the first degree to a class B felony without the possibility of probation or suspension of sentence. Amends the requisite state of mind to criminal negligence for both offenses.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

