STAND. COM. REP. NO. 3912

Honolulu, Hawaii

APR 1 9 2024

RE: H.C.R. No. 70

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism, to which was referred H.C.R. No. 70, H.D. 1, entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO CONVENE A SPORTS WAGERING WORKING GROUP TO CONDUCT AN ANALYSIS OF THE POTENTIAL LEGALIZATION AND REGULATION OF ONLINE SPORTS WAGERING IN HAWAII,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Department of Business, Economic Development, and Tourism to convene a Sports Wagering Working Group to conduct an analysis of the potential legalization and regulation of online sports wagering in Hawaii.

Your Committee received testimony in support of this measure from DraftKings Inc. and Sports Betting Alliance.

Your Committee received comments on this measure from the Department of Business, Economic Development, and Tourism and SidePrize LLC d/b/a PrizePicks.

Your Committee finds that a robust illegal sports betting market thrives in the absence of a legal, regulated framework. Your Committee further finds that by channeling sports wagering

activity into a responsible, regulated, and legal market, the State stands to gain millions of dollars each year in additional tax revenue. This measure requests the convening of a Sports Wagering Working Group to analyze the benefits and impacts of legalization and regulation of online sports wagering in the State.

Your Committee has amended this measure by:

- (1) Clarifying that the Sports Wagering Working Group is requested to submit a report on its analysis, including any findings, recommendations, and proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2026, rather than the Regular Session of 2025; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 70, H.D. 1, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 70, H.D. 1, S.D. 1.

Respectfully submitted on behalf of the members of the Committee on Energy, Economic Development, and Tourism,

LYNN DECOITE, Chair

The Senate Thirty-Second Legislature State of Hawai'i

Record of Votes Committee on Energy, Economic Development, and Tourism EET

l	Committee Referral: Date:			
HCR 70,401 E	EET 4-17-24			
The Committee is reconsidering its previous decision on this measure.				
If so, then the previous decision was to:				
The Recommendation is:				
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313				
Members	Aye	Aye (WR)	Nay	Excused
DECOITE, Lynn (C)				
WAKAI, Glenn (VC)				:
FUKUNAGA, Carol				
KIM, Donna Mercado				
FEVELLA, Kurt				
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TOTAL	2	2		1
Recommendation:				
Adopted Not Adopted				
Chair's or Designee's Signature:				
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Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				
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^{*}Only one measure per Record of Votes