
A BILL FOR AN ACT

RELATING TO GAMING.

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

1 SECTION 1. The legislature finds that the downstream
2 economic and social benefits of integrated resort development
3 have been demonstrated globally in diverse locations such as
4 Macau, Singapore, the Bahamas, and many states in the United
5 States. In addition to enhancing existing tourism and
6 infrastructure, an integrated resort that includes limited
7 casino gaming will increase state revenue from a new wagering
8 tax along with traditional sources like the general excise tax
9 and transient accommodations tax. Evidence from over two
10 hundred individual gaming facilities on federal trust lands in
11 twenty-nine states demonstrates significant economic activity
12 through:

- 13 (1) Expenditures by casinos and their suppliers;
14 (2) Job creation in the integrated resort and new
15 businesses stimulated by increases in tourism, state
16 government, education, and suppliers to the integrated
17 resort;



- 1 (3) Wages paid to employees of the integrated resort and
- 2 all impacted businesses;
- 3 (4) Taxes on all taxable economic activity; and
- 4 (5) Direct gaming-related payments to the state and local
- 5 governments.

6 The legislature further finds that as a global tourism
7 destination, Hawaii would realize similar economic and social
8 benefits through operation and licensing of a single integrated
9 resort that includes limited casino gaming on lands under the
10 control of the office of Hawaiian affairs. For example, 2015
11 estimates for travel spending for the State were
12 \$21,700,000,000. By comparison, 2015 estimates for travel
13 spending for the State of North Carolina were \$22,800,000,000.
14 In 2014, North Carolina, a state with only two tribally-operated
15 gaming facilities, realized:

- 16 (1) \$1,330,000,000 in sales tied to gaming;
- 17 (2) 11,730 jobs directly related to gaming, resulting in
- 18 \$530,000,000 in salaries, wages, bonuses, tips, and
- 19 benefits from those jobs; and



1 (3) \$205,000,000 in tax revenue and direct payments from
2 tribal governments to federal, state, and local
3 government.

4 Impacts from integrated resort development, particularly on
5 tribal lands, depend on several factors and market conditions.
6 However, the opportunity and potential for increased revenue to
7 the office of Hawaiian affairs and the State will provide Native
8 Hawaiians and other residents economic growth never before seen
9 in the State. The limited authorization of casino gaming would
10 help the office of Hawaiian affairs in its mission to better the
11 conditions of Native Hawaiians by ensuring that the office is
12 the primary beneficiary of the gaming operation through a lease
13 agreement with the licensee and through direct collection of a
14 percentage of the state tax payments on gross gaming revenue.

15 The purpose of this Act is to authorize limited casino
16 gaming in the form of a single integrated resort property on
17 lands under the control of the office of Hawaiian affairs
18 designated for commercial use on the island of Oahu, excluding
19 lands west of Ko Olina.



1 SECTION 2. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 "CHAPTER

5 CASINO GAMING

6 § -1 **Limited casino gaming authorized.** Casino gaming
7 and a system of wagering incorporated therein are authorized
8 only to the extent that they are conducted in accordance with
9 this chapter. In case of any conflict between this chapter and
10 any other law regarding casino gaming, this chapter shall
11 prevail. This chapter and the rules adopted by the commission
12 shall apply to all persons who are licensed or otherwise
13 participate in gaming as allowed under this chapter.

14 § -2 **Definitions.** As used in this chapter, unless the
15 context clearly requires otherwise:

16 "Agent" means any person who is employed by any agency of
17 the State other than the commission who is assigned to perform
18 full-time services on behalf of or for the benefit of the
19 commission regardless of the title or position held by that
20 person.



1 "Applicant" means any person who applies for a license
2 under this chapter.

3 "Casino gaming", "limited casino gaming", or "casino gaming
4 operation" means the operation of games conducted pursuant to
5 this chapter as part of an integrated resort with a gaming
6 license authorized by the commission.

7 "Chairperson" means the chairperson of the Hawaii gaming
8 commission.

9 "Commission" means the Hawaii gaming commission.

10 "Conflict of interest" means a situation in which the
11 private interest of a member, employee, or agent of the
12 commission may influence the judgment of the member, employee,
13 or agent in the performance of the member's, employee's, or
14 agent's public duty under this chapter. "Conflict of interest"
15 includes but is not limited to:

16 (1) Any conduct that would lead a reasonable person,
17 knowing all of the circumstances, to conclude that the
18 member, employee, or agent of the commission is biased
19 against or in favor of an applicant;

20 (2) Acceptance of any form of compensation other than from
21 the commission for any services rendered as part of



1 the official duties of the member, employee, or agent
2 of the commission; or

3 (3) Participation in any business being transacted with or
4 before the commission in which the member, employee,
5 or agent of the commission or the member's,
6 employee's, or agent's parent, spouse, or child has a
7 financial interest.

8 "Executive director" means the executive director of the
9 commission.

10 "Financial interest" or "financially interested" means any
11 interest in investments, awarding of contracts, grants, loans,
12 purchases, leases, sales, or similar matters under consideration
13 or consummated by the commission or holding a one per cent or
14 more ownership interest in an applicant or a licensee. For
15 purposes of this definition, a member, employee, or agent of the
16 commission shall be considered to have a financial interest in a
17 matter under consideration if:

18 (1) The individual owns one per cent or more of any class
19 of outstanding securities that are issued by a party
20 to the matter under consideration or consummated by
21 the commission; or



1 (2) The individual is employed by or is an independent
2 contractor for a party to the matter under
3 consideration by the commission.

4 "Gambling" means the playing of a game by a patron of a
5 casino gaming operation.

6 "Game" means a banking or percentage game played with
7 cards, dice, tiles, or dominoes or an electronic, electrical,
8 gaming device, or mechanical device or machine played for money,
9 property, checks, or any other representative of value that has
10 been approved by the commission.

11 "Gaming" means dealing, operating, carrying on, conducting,
12 maintaining, or exposing any game for pay.

13 "Gaming device" or "gaming equipment" means an electronic,
14 electrical, or mechanical device or machine used in connection
15 with gaming or a game.

16 "Gaming license" means the license issued by the commission
17 that allows the gaming licensee to operate an integrated resort.

18 "Gaming licensee" means a person or entity who holds a
19 gaming license from the Hawaii gaming commission.

20 "Gross gaming revenue" means the total of:



1 (1) Cash received or retained as winnings by a gaming
2 licensee; and

3 (2) Compensation received for conducting any game in which
4 a gaming licensee is not party to a wager.

5 "Individual" means a natural person.

6 "Integrated resort" means a destination resort property
7 that offers a wide variety of leisure and entertainment products
8 besides casino gaming, including but not limited to restaurants,
9 convention services, golf or other outdoor activities, pools and
10 spas, retail, aquariums, theme parks, movie and live theaters,
11 museums, and sporting events.

12 "Managerial employee" means a person who holds a policy
13 making position with the commission or any licensee under this
14 chapter.

15 "Occupational license" means a license issued by the
16 commission to a person to perform an occupation relating to
17 casino gaming in the State that the commission has identified as
18 an occupation that requires a license.

19 "Office" means the office of Hawaiian affairs.



1 "Person" means an individual, association, partnership,
2 estate, trust, corporation, limited liability company, or other
3 legal entity.

4 "Supplier" means a person that the commission has
5 identified under rules adopted by the commission as requiring a
6 license to provide goods or services regarding the realty,
7 construction, maintenance, or business of a proposed or existing
8 integrated resort on a regular or continuing basis, including
9 security businesses, manufacturers, distributors, persons who
10 service gaming devices or gaming equipment, garbage haulers,
11 maintenance companies, food purveyors, and construction
12 companies.

13 "Supplier's license" means a license that authorizes a
14 supplier to furnish any equipment, devices, supplies, or
15 services to a licensed integrated resort permitted under this
16 chapter.

17 "Wagerer" means a person who gambles as authorized under
18 this chapter.

19 § -3 **Hawaii gaming commission.** (a) There is
20 established the Hawaii gaming commission, which shall be a body
21 corporate and a public instrumentality of the State, for the



1 purpose of implementing this chapter. The commission shall be
2 placed within the office for administrative purposes only. The
3 office shall not direct or exert authority over the day-to-day
4 operations or functions of the commission. The commission shall
5 consist of five members as follows:

- 6 (1) One member of the office, to be appointed by the
7 administrator of the office; and
- 8 (2) Four members to be appointed by the governor subject
9 to the advice and consent of the senate under section
10 26-34; provided that:
- 11 (A) At least one of the members shall have knowledge,
12 experience, and expertise in the area of native
13 Hawaiian cultural practices;
- 14 (B) One member shall have experience in corporate
15 finance and securities;
- 16 (C) One member shall have experience in criminal
17 investigations and law enforcement;
- 18 (D) One member shall have experience in legal and
19 policy issues related to gaming; and



1 (E) One member may have professional experience in
2 gaming regulatory administration or gaming
3 industry management.

4 Appointments of initial commission members shall be made within
5 one year of the effective date of this Act. The commission
6 shall select a chairperson from among its members by a
7 two-thirds vote.

8 (b) No person shall be appointed as a member of the
9 commission or continue to be a member of the commission if the
10 person:

- 11 (1) Is an elected state official;
- 12 (2) Is licensed by the commission pursuant to this chapter
13 or is an official of, has a financial interest in, or
14 has a financial relationship with, any casino gaming
15 operation subject to the jurisdiction of the
16 commission pursuant to this chapter;
- 17 (3) Is related to any individual within the second degree
18 of consanguinity or affinity who is licensed by the
19 commission pursuant to this chapter; or
- 20 (4) Has been under indictment for, convicted of, pled
21 guilty or nolo contendere to, or forfeited bail for a



1 felony or a misdemeanor involving gambling or fraud
2 under:

3 (A) The laws of this State, any other state, or the
4 United States within the ten years prior to
5 appointment; or

6 (B) A local ordinance in a state involving gambling
7 or fraud that substantially corresponds to a
8 misdemeanor in that state within the ten years
9 prior to appointment.

10 (c) The term of a commission member shall be four years or
11 until a successor is appointed. Each commission member shall be
12 eligible for reappointment; provided that no commission member
13 shall serve more than eight years. Vacancies in the commission
14 shall be filled for the unexpired term in the same manner as the
15 original appointments; provided that the governor shall have
16 ninety days following the occurrence of a vacancy to appoint a
17 successor member. An individual appointed to fill a vacancy
18 shall serve only for the duration of the unexpired term. The
19 governor may remove a commission member for cause if the
20 commission member:

21 (1) Is guilty of malfeasance in office;



1 (2) Substantially neglects the duties of a commission
2 member;

3 (3) Is unable to discharge the powers and duties of the
4 commission member's office;

5 (4) Commits gross misconduct; or

6 (5) Is convicted of a felony.

7 (d) Each member of the commission shall be a resident of
8 the State and, while serving on the commission, shall not:

9 (1) Hold or be a candidate for federal, state, or county
10 elected office;

11 (2) Hold an appointed office in a federal, state, or
12 county government, except for the representative from
13 the office of Hawaiian affairs; or

14 (3) Serve as an official in a political party.

15 (e) The commission, subject to chapter 92, shall hold at
16 least one meeting in each quarter of the State's fiscal year.

17 The commission shall hold its initial meeting within one year of
18 the effective date of this Act. Special meetings may be called
19 by the chairperson or any three members upon seventy-two hours
20 written notice to each member. Three members shall constitute a
21 quorum to conduct business. Any action to vote or make a final



1 determination shall require a majority vote of all members to
2 which the commission is entitled. The commission shall keep a
3 complete and accurate record of all its meetings.

4 (f) The commission members shall serve on a part-time
5 basis. For each hour engaged in the official duties of the
6 commission, each member of the commission shall be paid an
7 hourly wage based on the hourly wage paid to the administrator
8 of the office; provided that compensation shall not exceed
9 eighty per cent of the total regular working hours in a month.
10 Members shall not be entitled to any vacation, sick leave, or
11 other benefits except as provided in this section. All members
12 shall receive their necessary expenses for travel and
13 incidentals that shall be paid from appropriations provided the
14 commission for such purposes.

15 (g) Before assuming the duties of office, each member of
16 the commission shall take an oath that the member shall
17 faithfully execute the duties of office according to the laws of
18 the State.

19 (h) The commission shall appoint an individual to serve as
20 the executive director of the commission, who shall be subject
21 to the commission's supervision. The commission shall appoint



1 an interim executive director within ten days of the
2 commission's initial meeting who shall be exempt from paragraphs
3 (3) and (4) such that the interim executive director may be a
4 current public employee or regulatory official from a similar
5 body in another state who temporarily undertakes the role of
6 interim executive director. The executive director shall:

7 (1) Hold office at the will of the commission;

8 (2) Be exempt from chapters 76 and 89;

9 (3) Devote full time to the duties of the commission;

10 (4) Hold no other office or employment;

11 (5) Perform any and all duties that the commission
12 assigns; and

13 (6) Receive an annual salary at an amount set by the
14 commission and be reimbursed for expenses actually and
15 necessarily incurred in the performance of the
16 executive director's duties.

17 (i) Except as otherwise provided by law, the executive
18 director may:

19 (1) Hire assistants, other officers, and employees, who
20 shall be exempt from chapters 76 and 89 and who shall
21 serve at the will of the executive director; and



- 1 (2) Appoint committees and consultants necessary to carry
2 out the functions and duties of the commission under
3 this chapter; provided that no person shall be hired
4 or appointed under this subsection who:
- 5 (A) Is an elected state official;
- 6 (B) Is licensed by the commission pursuant to this
7 chapter or is an official of, has a financial
8 interest in, or has a financial relationship
9 with, any casino gaming operation subject to the
10 jurisdiction of the commission pursuant to this
11 chapter;
- 12 (C) Is related to any individual within the second
13 degree of consanguinity or affinity who is
14 licensed by the commission pursuant to this
15 chapter; or
- 16 (D) Has been under indictment for, convicted of, pled
17 guilty or nolo contendere to, or forfeited bail
18 for a felony or misdemeanor concerning gambling
19 or fraud under:



1 (i) The laws of this State, any other state, or
2 the United States within the last ten years;
3 or

4 (ii) A local ordinance in any state involving
5 gambling or fraud that substantially
6 corresponds to a misdemeanor in that state
7 within the ten years prior to employment.

8 (j) The salaries of employees hired pursuant to subsection
9 (i) shall be set by the executive director.

10 (k) The commission shall adopt rules in accordance with
11 chapter 91 establishing a code of ethics for its employees that
12 shall include restrictions on which employees are prohibited
13 from participating in or wagering on any casino gaming or casino
14 gaming operation subject to the jurisdiction of the commission.
15 The code of ethics shall be separate from and in addition to any
16 standards of conduct set forth pursuant to chapter 84.

17 § -4 **Records; staff.** The executive director shall keep
18 records of all proceedings of the commission and shall preserve
19 all records, books, documents, and other papers belonging to the
20 commission or entrusted to the commission's care in accordance
21 with document retention policies of the state archives.



1 § -5 **Powers of the commission.** (a) The commission
2 shall have all powers necessary to supervise all casino gaming
3 operations fully and effectively in the State, including the
4 power to:

- 5 (1) Administer, regulate, and enforce the system of casino
6 gaming established by this chapter. The commission's
7 jurisdiction shall extend to every person,
8 association, corporation, partnership, trust, and any
9 other entity with a financial interest in or holding a
10 license under this chapter, or that is required under
11 this chapter to hold a license in casino gaming
12 operations in the State;
- 13 (2) Issue a gaming license to operate an integrated resort
14 pursuant to this chapter;
- 15 (3) Determine the types and numbers of occupational
16 licenses and supplier's licenses to be issued under
17 this chapter;
- 18 (4) Adopt standards for the licensing of all persons under
19 this chapter subject to the qualification and
20 standards set forth in this chapter; issue licenses;
21 and establish and collect fees for these licenses;



- 1 (5) Provide for the collection of all taxes imposed
2 pursuant to this chapter and collect, receive, expend,
3 and account for all revenues derived from casino
4 gaming;
- 5 (6) Enter at any time without a warrant and without notice
6 a gaming licensee; the premises, offices, integrated
7 resort, or other places of business of a gaming or
8 supplier's licensee, where evidence of the compliance
9 or noncompliance with this chapter or rules adopted
10 under this chapter is likely to be found; provided
11 that entry is authorized to:
- 12 (A) Inspect and examine all premises wherein casino
13 gaming or the business of gaming or the business
14 of a supplier is conducted, or where any records
15 of the activities are prepared;
- 16 (B) Inspect, examine, audit, impound, seize, assume
17 physical control of, or summarily remove from the
18 premises all books; ledgers; documents; writings;
19 photocopies or correspondence records;
20 videotapes, including electronically or digitally
21 stored records; money receptacles, other



1 containers, and their contents; equipment in
2 which the records are stored; or other gaming
3 related equipment and supplies on or around the
4 premises including counting rooms;

5 (C) Inspect the person and inspect, examine, and
6 seize personal effects present in an integrated
7 resort licensed under this chapter or any holder
8 of a licensed integrated resort; and

9 (D) Investigate and deter alleged violations of this
10 chapter or rules adopted under this chapter;

11 (7) Investigate alleged violations of this chapter or
12 rules adopted under this chapter and take appropriate
13 disciplinary action against a gaming licensee or a
14 holder of an occupational license or supplier's
15 license for a violation, or institute appropriate
16 legal action for enforcement, or both;

17 (8) Be present, through its inspectors and agents, any
18 time casino gaming operations are conducted in an
19 integrated resort for the purpose of certifying the
20 gaming licensee's revenue, receiving complaints from
21 the public, and conducting other investigations into



- 1 the conduct of the casino gaming and maintenance of
2 the equipment as the commission may deem necessary and
3 proper from time to time;
- 4 (9) Adopt appropriate standards for an integrated resort
5 and gaming devices;
- 6 (10) Require that records, including financial or other
7 statements of a gaming licensee, under this chapter be
8 kept in the manner prescribed by the commission and
9 that a licensee involved in the ownership or
10 management of casino gaming operations submit to the
11 commission:
- 12 (A) An annual balance sheet and profit and loss
13 statement;
- 14 (B) A list of the stockholders or other persons
15 having a five per cent or greater beneficial
16 interest in the gaming activities of the
17 licensee; and
- 18 (C) Any other information the commission deems
19 necessary to effectively administer this chapter;
- 20 (11) Conduct hearings, issue subpoenas for the attendance
21 of witnesses and subpoenas duces tecum for the



1 production of books, records, and other pertinent
2 documents, and administer oaths and affirmations to
3 the witnesses, when, in the judgment of the
4 commission, it is necessary to administer or enforce
5 this chapter. The executive director or the executive
6 director's designee may issue subpoenas and administer
7 oaths and affirmations to witnesses;

8 (12) Eject or exclude, or authorize the ejection or
9 exclusion of, any individual from an integrated resort
10 where the individual is in violation of this chapter
11 or where the individual's conduct or reputation is
12 such that the individual's presence within the
13 integrated resort, in the opinion of the commission,
14 may call into question the honesty and integrity of
15 the casino gaming operation or interfere with the
16 orderly conduct thereof or any other action that, in
17 the opinion of the commission, is a detriment or
18 impediment to the casino gaming operation; provided
19 that the propriety of that ejection or exclusion shall
20 be subject to subsequent hearing and determination by
21 the commission as prescribed by rules;



- 1 (13) Permit a gaming licensee of a casino gaming operation
2 to use a wagering system whereby wagerers' money may
3 be converted to tokens, electronic cards, or chips
4 that shall be used only for wagering within the
5 integrated resort;
- 6 (14) Suspend, revoke, or restrict licenses or require the
7 removal of a licensee or an employee of a licensee for
8 a violation of this chapter or rule or for engaging in
9 a fraudulent practice;
- 10 (15) Impose and collect fines against a licensee for each
11 violation of this chapter or any rule adopted by the
12 commission or for any other action that, in the
13 commission's discretion, is a detriment or impediment
14 to casino gaming operations;
- 15 (16) Establish minimum levels of insurance to be maintained
16 by a licensee;
- 17 (17) Employ, in addition to persons hired under
18 section -3(i), any personnel who may be necessary
19 to carry out its duties under this chapter;



- 1 (18) Delegate the execution of any of its powers for the
2 purpose of administering and enforcing this chapter;
3 and
- 4 (19) Adopt rules pursuant to chapter 91 to implement this
5 chapter;
- 6 (b) Rules adopted under this chapter may include but are
7 not limited to rules that:
- 8 (1) Govern, restrict, approve, or regulate casino gaming
9 authorized by this chapter;
- 10 (2) Promote the safety, security, and integrity of casino
11 gaming authorized by this chapter;
- 12 (3) License and regulate, consistent with the
13 qualifications and standards set forth in this
14 chapter, persons participating in or involved with
15 casino gaming authorized by this chapter; and
- 16 (4) Authorize any other action that may be reasonable or
17 appropriate to enforce this chapter and rules adopted
18 under this chapter.
- 19 (c) This section is not intended to limit warrantless
20 inspections except in accordance with constitutional
21 requirements.



1 § -6 Member, employee, or agent of the commission;
2 **conduct generally.** (a) By January 31 of each year, each member
3 of the commission shall prepare and file with the commission a
4 disclosure form in which the member shall:

5 (1) Affirm that the member or the member's spouse, parent,
6 child, or child's spouse is not a member of the board
7 of directors of, financially interested in, or
8 employed by a licensee or applicant;

9 (2) Affirm that the member continues to meet all other
10 criteria for commission membership under this chapter
11 or the rules adopted by the commission;

12 (3) Disclose any legal or beneficial interest in any real
13 property that is or may be directly or indirectly
14 involved with casino gaming operations authorized by
15 this chapter; and

16 (4) Disclose any other information that may be required to
17 ensure that the integrity of the commission and its
18 work is maintained.

19 (b) By January 31 of each year, the executive director
20 shall prepare and file with the commission a disclosure form in
21 which the executive director shall:



- 1 (1) Affirm the absence of financial interests prohibited
2 by this chapter;
- 3 (2) Disclose any legal or beneficial interest in any real
4 property that is or may be directly or indirectly
5 involved with gaming or casino gaming operations
6 authorized by this chapter;
- 7 (3) Disclose whether the employee or the employee's
8 spouse, parent, child, or child's spouse is
9 financially interested in or employed by a supplier's
10 licensee, or an applicant for a supplier's license,
11 under this chapter; and
- 12 (4) Disclose any other information that may be required to
13 ensure that the integrity of the commission and its
14 work is maintained.
- 15 (c) A new or current employee or agent of the commission
16 shall obtain written permission from the executive director
17 before continuing outside employment held at the time the
18 employee begins to work for the commission. Permission shall be
19 denied, or permission previously granted shall be revoked, if
20 the nature of the work is considered to be a conflict of
21 interest or creates a possible conflict of interest with the



1 commission or otherwise interferes with the duties of the
2 employee or agent of the commission.

3 (d) An employee or agent of the commission granted
4 permission for outside employment shall not conduct any business
5 or perform any activities, including solicitation, related to
6 outside employment on premises used by the commission or during
7 the employee's working hours for the commission.

8 (e) As used in this section:

9 "Outside employment" includes the following:

- 10 (1) Operation of a proprietorship;
- 11 (2) Participation in a partnership or group business
12 enterprise; or
- 13 (3) Performance as a director or corporate officer of any
14 for-profit corporation or banking or credit
15 institution.

16 § -7 **Authorization of limited gaming.** Casino gaming
17 shall only be allowed in one integrated resort on lands under
18 the control of the office designated for commercial use on the
19 island of Oahu, excluding lands west of Ko Olina. Any
20 application for a gaming license to operate the integrated



1 resort shall include a development plan for the integrated
2 resort.

3 **§ -8 Gaming license; application; fee.** (a) The
4 application for a gaming license under this chapter shall be
5 made under oath on forms required by this chapter and shall
6 include all of the following:

- 7 (1) The name, business address, telephone number, social
8 security number, and, where applicable, federal tax
9 identification number of the applicant;
- 10 (2) The identity of any business in which the applicant
11 has an equity interest of more than five per cent,
12 including, if applicable, the state of incorporation
13 or registration. If the applicant is a corporation,
14 partnership, or other business entity, the applicant
15 shall identify any other corporation, partnership, or
16 other business entity in which it has an equity
17 interest of more than five per cent, including, if
18 applicable, the state of incorporation or
19 registration;
- 20 (3) An explanation of whether the applicant has developed
21 and opened a new land-based casino within a



1 jurisdiction in the United States that previously did
2 not allow gaming, including a description of the
3 casino, the casino's gross revenue, and the amount of
4 revenue the casino has generated for state and local
5 governments within that jurisdiction;

6 (4) A statement of whether the applicant has been indicted
7 for, convicted of, pled guilty or nolo contendere to,
8 or forfeited bail for any felony or for a misdemeanor
9 involving gambling, theft, or fraud. The statement
10 shall include the date, name, and location of the
11 court, arresting agency, prosecuting agency, case
12 caption, docket number, the offense, the disposition,
13 and location and length of incarceration;

14 (5) A statement of whether the applicant has ever been
15 granted any license or certificate issued by a
16 licensing authority in the State, or any other
17 jurisdiction, that has been restricted, revoked, or
18 not renewed. The statement shall describe the facts
19 and circumstances concerning that restriction,
20 revocation, or nonrenewal, including the licensing



1 authority involved, the date each action was taken,
2 and the reason for each action;

3 (6) A statement of whether the applicant, within the last
4 ten years, has filed or had filed against the
5 applicant a civil or administrative action or
6 proceeding in bankruptcy;

7 (7) A statement of whether the applicant, within the last
8 five tax years, has been adjudicated by a court or
9 tribunal to have failed to pay any final amount of any
10 income, sales, or gross receipts tax due and payable
11 under federal, state, or local law, after exhaustion
12 of all inter-agency appeals processes. This statement
13 shall identify the amount of the tax, type of tax,
14 time periods involved, and resolution;

15 (8) A statement listing the names and titles of all public
16 officials or officers of any unit of state government
17 or county government in the jurisdiction in which the
18 integrated resort is to be located and the spouses,
19 parents, and children of those public officials or
20 officers who, directly or indirectly, own any
21 financial interest in, have any beneficial interest



1 in, are the creditors of or hold any debt instrument
2 issued by, or hold or have an interest in any
3 contractual or service relationship with the
4 applicant. As used in this paragraph, "public
5 officials or public officers" does not include a
6 person who would be listed solely because of the
7 person's state or federal military service;

8 (9) The name and business telephone number of any
9 attorney, counsel, or any other person representing an
10 applicant in matters before the commission;

11 (10) A description of the applicant's history of, or plan
12 for, community involvement or investment in the area
13 where the integrated resort will be located,
14 particularly noting any experience working with native
15 or indigenous communities;

16 (11) A description of any proposed or approved integrated
17 resort, including the economic benefit to the
18 community, especially native or indigenous
19 communities, anticipated or actual number of
20 employees, any statement from an applicant regarding
21 compliance with federal and state affirmative action



1 guidelines, projected or actual admissions, projected
2 or actual gross receipts, and scientific market
3 research, if any; and

4 (12) A clarification of the legal operation of casino games
5 of chance or games of other forms.

6 (b) Information provided on the application shall be used
7 as the basis for a thorough background investigation that the
8 commission shall conduct with respect to each applicant;
9 provided that any financial information submitted by each
10 applicant shall be kept confidential by the commission and shall
11 not be subject to disclosure under chapter 92F. An incomplete
12 application shall be cause for denial of consideration by the
13 commission and forfeiture of the non-refundable deposit.

14 (c) Applicants shall submit with their application a plan
15 for training Native Hawaiians for jobs that are available at the
16 integrated resort. The plan shall take into consideration the
17 need to provide training to low-income individuals to enable
18 those individuals to qualify for jobs that will be created at
19 the integrated resort.

20 (d) A nonrefundable application fee of \$1,000,000 shall be
21 paid to the commission by an applicant at the time of filing to



1 defray the costs associated with an applicant's background
2 investigation conducted by the commission. If the costs of the
3 investigation exceed \$1,000,000, the applicant shall pay the
4 additional amount to the commission.

5 § -9 **Criteria for award of the gaming license; transfer**
6 **of license prohibited.** (a) The commission shall issue one
7 gaming license to operate an integrated resort to the applicant
8 that has paid the application fee required under section -8,
9 is eligible and suitable to receive a gaming license under this
10 chapter and the rules adopted by the commission, and best
11 satisfies all of the following criteria:

12 (1) The applicant has submitted a development plan for the
13 integrated resort that provides the greatest
14 likelihood that the applicant's facility will provide
15 the maximum revenue to the office to help the office
16 carry out its mission to improve the well-being of
17 Native Hawaiians, including generating jobs and
18 providing economic benefits;

19 (2) The applicant has a history of, or a bona fide plan
20 for, community involvement or investment in the area
21 in which the integrated resort will be located,



1 particularly noting any experience working with native
2 or indigenous communities;

3 (3) The applicant has the financial ability to purchase
4 and maintain adequate liability and casualty insurance
5 and provide an adequate surety bond;

6 (4) The applicant has provided data identifying the
7 applicant's sources of capital and demonstrating that
8 the applicant has adequate capital to develop,
9 construct, operate, and maintain the proposed
10 integrated resort;

11 (5) The applicant has adequate capitalization to develop,
12 construct, operate, and maintain for the duration of
13 the license, the proposed integrated resort in
14 accordance with the requirements of this chapter and
15 rules adopted by the commission and to responsibly pay
16 off its secured and unsecured debts in accordance with
17 its financing agreement and other contractual
18 obligations;

19 (6) The applicant has not been indicted for, convicted of,
20 pled guilty or nolo contendere to, or forfeited bail



- 1 for any felony or for a misdemeanor involving
2 gambling, theft, or fraud;
- 3 (7) The applicant has not filed or had filed against it a
4 proceeding for bankruptcy within the last ten years;
- 5 (8) The extent to which an applicant has been, within the
6 last five tax years, adjudicated by a court or
7 tribunal to have failed to pay any final amount of
8 income, sales, or gross receipts tax due and payable
9 under federal, state, or local law, after exhaustion
10 of all inter-agency appeals processes;
- 11 (9) The extent to which the applicant meets other
12 standards for the issuance of a gaming license that
13 the commission may adopt by rule;
- 14 (10) To ensure the continued integrity of Hawaii collegiate
15 athletics, neither the applicant, nor any parent or
16 subsidiary of the applicant permits wagering on Hawaii
17 collegiate athletics in Hawaii or any other
18 jurisdiction in which they hold a license;
- 19 (11) The adequacy of the applicant's plan for creating
20 partnerships with the university of Hawaii and
21 existing educational institutions for training Native



1 Hawaiians for jobs, including management positions,
2 that are available at the integrated resort and the
3 extent to which the plan considers the need to provide
4 training to low-income individuals to enable those
5 individuals to qualify for jobs that will be created
6 at the integrated resort; and

7 (12) The caliber of the proposed integrated resort,
8 including the proposed integrated resort's aesthetic
9 appearance, amount of economic benefit to the
10 community, especially native or indigenous
11 communities, anticipated or actual number of
12 employees, compliance with federal and state
13 affirmative action guidelines, and projected or actual
14 gross receipts.

15 (b) An applicant shall be ineligible to receive a gaming
16 license if the applicant or any employee of the applicant:

17 (1) Has been convicted of a felony under the laws of this
18 State, any other state, or the United States;

19 (2) Has been convicted of any violation under part III,
20 chapter 712, or substantially similar laws of another
21 jurisdiction;



1 (3) Knowingly submitted an application for a license under
2 this chapter that contains false information;

3 (4) Is a member or employee of the commission;

4 (5) Has had a license to own or operate casino gaming
5 operations or other gaming revoked in this State or
6 any other jurisdiction; or

7 (6) Is not, or has not consented to be, subject to the
8 laws and jurisdiction of the State.

9 (c) To demonstrate financial ability, the applicant may
10 include the economic resources available directly or indirectly
11 to the gaming license applicant.

12 (d) Simultaneous with an applicant's submission of an
13 application, each applicant that is a natural person shall
14 submit to the commission on fingerprint cards issued by the
15 Federal Bureau of Investigation or in digital format two sets of
16 fingerprints for each applicant.

17 (e) The commission shall establish a process to facilitate
18 and expedite the approval of the necessary licenses and permits
19 for the integrated resort. The commission may establish its own
20 procedures for the issuance of liquor licenses for any gaming
21 licensee; provided that a gaming licensee shall not be subject



1 to any requirement of the Honolulu liquor commission as to the
2 approval of forms of live or professional music, dancing, and
3 entertainment; provided further that all other state laws and
4 county ordinances relating to liquor are satisfied.

5 (f) Once issued, the gaming license shall be
6 nontransferable and shall be valid only for the individual or
7 person in whose name the gaming license was issued and for the
8 operation of the integrated resort on lands under the control of
9 the office designated for commercial use on the island of Oahu,
10 excluding lands west of Ko Olina.

11 § -10 Purpose of the gaming license. The gaming
12 licensee shall have the following obligations:

- 13 (1) Ensure the proper operation and conduct of casino
14 gaming;
- 15 (2) Manage and conduct casino gaming that is licensed by
16 the commission;
- 17 (3) Operate and conduct casino gaming in a fair and honest
18 manner without criminal influence;
- 19 (4) Employ staff who have the appropriate qualifications;
20 and



1 (5) Safeguard and ensure the office's and State's
2 interests in land lease and tax revenue from the
3 operation of the integrated resort.

4 § -11 **Applicability of state law.** (a) The integrated
5 resort property and gaming licensee shall be exclusively
6 governed by the laws of the State.

7 (b) The gaming licensee shall recognize and accept the
8 exclusive jurisdiction of the court of the State in case of any
9 potential dispute or conflict of interests.

10 (c) The gaming licensee shall comply with applicable laws
11 of the State and shall waive the right to apply regulations of a
12 place other than the State that exempt the licensee from
13 performing obligations or acts that must be performed or are
14 imposed.

15 § -12 **Participation in the operation of gambling in**
16 **other jurisdictions.** (a) The gaming licensee shall inform the
17 commission of its participation in the operation of casino games
18 of chance or games of other forms in any other jurisdictions,
19 including participation in the operation through a management
20 contract, or of such intent. If the gaming licensee is aware
21 that any of its directors or controlling shareholders, or any



1 shareholder that directly or indirectly holds the equivalent of
2 five per cent or more of its share capital, has the intent to
3 participate in the operation of casino games or games of other
4 forms of chance in any other jurisdictions, the licensee shall
5 inform the commission immediately.

6 (b) For the purpose of this section, the gaming licensee
7 shall submit to the commission or procure to obtain and submit
8 to the commission, as the case may be, any documents,
9 information, or materials that may be requested, except those
10 that are considered confidential by law.

11 § -13 **Supplier's licenses.** (a) No person shall furnish
12 equipment, devices, or supplies to the gaming licensee under
13 this chapter unless the person has first obtained a supplier's
14 license pursuant to this section. The commission may issue a
15 supplier's license to any person, firm, or corporation upon:

16 (1) Payment of a nonrefundable application fee as set by
17 the commission;

18 (2) A determination by the commission that the applicant
19 is eligible for a supplier's license; and



1 (3) Payment by the applicant of a license fee, the amount
2 to be set by the commission and adjusted to market
3 conditions from time to time.

4 Supplier's licenses shall be renewable annually upon payment of
5 the annual license fee and a determination by the commission
6 that the supplier's licensee continues to meet all of the
7 requirements of this chapter.

8 (b) A supplier's licensee may sell or lease, or contract
9 to sell or lease, gaming equipment and supplies to any licensee
10 involved in the ownership or management of casino gaming
11 operations.

12 (c) Casino gaming supplies and equipment shall not be
13 distributed unless supplies and equipment conform to standards
14 adopted by rules of the commission.

15 (d) A person, firm, or corporation shall be ineligible to
16 receive a supplier's license if:

17 (1) The person has been convicted of a felony under the
18 laws of this State, any other state, or the United
19 States;



- 1 (2) The person has been convicted of any violation under
2 part III, chapter 712, or substantially similar laws
3 of another jurisdiction;
- 4 (3) The person has knowingly submitted an application for
5 a license under this chapter that contains false
6 information;
- 7 (4) The person is a member of the commission;
- 8 (5) The firm or corporation is one in which a person
9 described in paragraph (1), (2), or (3) is an officer,
10 director, or managerial employee;
- 11 (6) The firm or corporation employs a person described in
12 paragraph (1), (2), (3), or (4) that participates in
13 the management or operation of casino gaming
14 authorized under this chapter; or
- 15 (7) The license of the person, firm, or corporation issued
16 under this chapter, or a license to own or operate
17 casino gaming facilities in any other jurisdiction,
18 has been revoked.
- 19 (e) A supplier shall:
- 20 (1) Furnish to the commission a list of all equipment,
21 devices, and supplies offered for sale or lease in



1 connection with casino gaming authorized under this
2 chapter;

3 (2) Keep books and records for the furnishing of
4 equipment, devices, and supplies to casino gaming
5 operations separate and distinct from any other
6 business that the supplier might operate;

7 (3) File quarterly returns with the commission listing all
8 sales and leases;

9 (4) Permanently affix its name to all its equipment,
10 devices, and supplies used for casino gaming
11 operations; and

12 (5) File an annual report with the commission listing its
13 inventories of casino gaming equipment, devices, and
14 supplies.

15 (f) Any person who knowingly makes a false statement on an
16 application for a supplier's license shall be guilty of a
17 misdemeanor.

18 § -14 **Occupational license.** (a) The commission may
19 issue an occupational license to an applicant upon:

20 (1) Payment of a nonrefundable application fee set by the
21 commission;



1 (2) Determination by the commission that the applicant is
2 eligible for an occupational license; and

3 (3) Payment of an annual license fee in an amount set by
4 the commission.

5 (b) To be eligible for an occupational license, an
6 applicant shall:

7 (1) Be at least twenty-one years of age if the applicant
8 performs any function involved in casino gaming by
9 patrons; provided that any applicant seeking an
10 occupational license for a non-gaming function shall
11 be at least eighteen years of age;

12 (2) Not have been convicted of a felony offense in any
13 jurisdiction or a crime involving dishonesty or moral
14 turpitude; and

15 (3) Have met standards for the holding of an occupational
16 license as provided in rules adopted by the
17 commission, including background inquiries and other
18 requirements.

19 (c) Each application for an occupational license shall be
20 on forms prescribed by the commission and shall contain all



1 information required by the commission. The application shall
2 state whether the applicant:

3 (1) Has been issued prior gaming-related licenses in any
4 jurisdiction;

5 (2) Has been licensed in any other jurisdiction under any
6 other name and, if so, the name and the applicant's
7 age at the time; and

8 (3) Has had a permit or license issued from any other
9 jurisdiction suspended, restricted, or revoked and, if
10 so, for what period of time.

11 (d) Each applicant shall submit with the application two
12 sets of the applicant's fingerprints. The commission shall
13 charge each applicant a fee to defray the costs associated with
14 the search and classification of fingerprints obtained by the
15 commission with respect to the application.

16 (e) The commission may refuse to grant an occupational
17 license to any person:

18 (1) Who is unqualified to perform the duties required;

19 (2) Who fails to disclose or falsely states any
20 information called for in the application;



- 1 (3) Who has been found guilty of a violation of this
2 chapter or whose prior casino gaming-related license
3 or application has been suspended, restricted,
4 revoked, or denied for just cause in any other
5 jurisdiction; or
- 6 (4) For any other just cause.
- 7 (f) The commission may suspend, revoke, or restrict any
8 occupational licensee for:
- 9 (1) Any violation of this chapter;
- 10 (2) Any violation of the rules of the commission;
- 11 (3) Any cause that, if known to the commission, would have
12 disqualified the applicant from receiving an
13 occupational license;
- 14 (4) Default in the payment of any obligation or debt due
15 to the State or the county; or
- 16 (5) Any other just cause.
- 17 (g) A person who knowingly makes a false statement on an
18 application for an occupational license shall be guilty of a
19 misdemeanor.
- 20 (h) Any license issued pursuant to this section shall be
21 valid for a period of one year from the date of issuance and



1 shall be renewable annually upon payment of the annual license
2 fee and a determination by the commission that the occupational
3 licensee continues to meet all of the requirements of this
4 chapter.

5 **§ -15 Temporary supplier's and occupational licenses.**

6 (a) Upon written request of a person applying for a supplier's
7 or occupational license under this chapter, the executive
8 director shall issue a temporary license to the applicant and
9 allow the applicant to undertake employment with, conduct
10 business transactions with, and provide goods and services to
11 licensees, gaming license applicants, and holders of
12 certificates of suitability; provided that all of the following
13 requirements are met:

- 14 (1) The applicant has submitted to the commission a
15 completed application, an application fee, and all
16 required disclosure forms and other required written
17 documentation and materials;
- 18 (2) Preliminary review of the application and a criminal
19 history record check by the executive director or
20 commission staff does not reveal that the applicant or
21 the applicant's key persons, local and regional



1 managerial employees or sales and service
2 representatives, or substantial owners have been
3 convicted of a felony or misdemeanor that would
4 require denial of the application or may otherwise be
5 ineligible, unqualified, or unsuitable to be licensed
6 under this chapter; and

7 (3) There is no other apparent deficiency in the
8 application that may require denial of the
9 application.

10 (b) A temporary license issued under this section shall be
11 valid for no more than one hundred eighty days but may be
12 renewed upon expiration by the executive director.

13 (c) An applicant who receives a temporary license under
14 this section may undertake employment with or supply a gaming
15 licensee, gaming license applicants, and holders of certificates
16 of suitability with goods and services subject to this chapter
17 until a license is issued by the commission pursuant to the
18 applicant's application or until the temporary license expires
19 or is suspended or revoked. During the period of validity of
20 the temporary license, the applicant shall comply with this
21 chapter and rules adopted by the commission.



1 (d) If the temporary license expires, is not renewed, is
2 suspended or revoked, or otherwise terminates, the executive
3 director shall immediately forward the applicant's application
4 to the commission for action after first providing a reasonable
5 time for the applicant to correct any apparent deficiency in its
6 application.

7 § -16 **Annual report.** The commission shall submit an
8 annual report to the governor, legislature, and office no later
9 than sixty days before the close of each fiscal year and shall
10 submit any additional reports that the governor, legislature, or
11 office requests. The annual report shall include:

- 12 (1) A statement of receipts and disbursements related to
13 the integrated resort pursuant to this chapter;
14 (2) Actions taken by the commission; and
15 (3) Any additional information and recommendations that
16 the commission may deem valuable or that the governor,
17 legislature, or board of trustees of the office may
18 request.

19 § -17 **Hearings by the commission.** (a) Upon order of
20 the commission, one of the commission members or a hearings
21 officer designated by the commission may conduct any hearing



1 provided for under this chapter related to casino gaming, or by
2 commission rule, and may recommend findings and decisions to the
3 commission. The record made at the time of the hearing shall be
4 reviewed by the commission, or a majority of commission members,
5 and the findings and decisions of the majority of the members to
6 which the commission is entitled shall constitute the order of
7 the commission in that case.

8 (b) Any party aggrieved by an action of the commission
9 denying, suspending, revoking, restricting, or refusing to renew
10 a license under this chapter may request in writing a hearing
11 before the commission within five days after service of notice
12 of the action of the commission. Notice of the actions of the
13 commission shall be served either by personal delivery or by
14 certified mail, postage prepaid, to the aggrieved party. Notice
15 served by certified mail shall be deemed complete on the
16 business day following the date of the mailing. The commission
17 shall conduct all requested hearings promptly and in reasonable
18 order.

19 § -18 **Conduct of casino gaming.** Casino gaming may be
20 conducted by the gaming licensee, subject to the following:



- 1 (1) The site of the integrated resort shall be restricted
2 to lands under the control of the office designated
3 for commercial use on the island of Oahu, excluding
4 lands west of Ko Olina;
- 5 (2) The term of the gaming license shall be forty years
6 and shall be renewable for additional twenty-year
7 terms; provided that:
- 8 (A) The integrated resort met or exceeded its
9 commitment to provide lease payments and
10 revenue to the office to help the office carry
11 out its mission to improve the well-being of
12 Native Hawaiians, including generating jobs and
13 providing economic benefits;
- 14 (B) The gaming licensee's actions have not caused
15 the gaming license under this chapter to be
16 suspended or revoked; and
- 17 (C) The applicant remains eligible and suitable for a
18 gaming license;
- 19 (3) The integrated resort may operate twenty-four-hours
20 per day, three-hundred-sixty-five-days a year, subject
21 to market conditions;



- 1 (4) The gaming license shall not include authorization to
2 engage in the following gaming activities:
- 3 (A) Online or mobile gaming; and
- 4 (B) Games of chance or any other gaming, betting, or
5 gambling activities on ships or planes;
- 6 (5) Minimum and maximum wagers on games shall be set by
7 the gaming licensee with guidance and oversight
8 through rules adopted by the commission;
- 9 (6) The commission's agents may enter and inspect the
10 integrated resort at any time for the purpose of
11 determining whether the gaming licensee is in
12 compliance with this chapter and rules adopted by the
13 commission;
- 14 (7) Commission employees shall have the right to be
15 present in an integrated resort under the control of
16 the gaming licensee;
- 17 (8) Gaming equipment and supplies customarily used in
18 conducting casino gaming shall be purchased or leased
19 only from suppliers licensed under this chapter;



- 1 (9) Persons licensed under this chapter shall allow no
2 form of wagering on games except as allowed by this
3 chapter;
- 4 (10) Wagers may be received only from a person who is
5 physically present in an integrated resort. No person
6 who is physically present in an integrated resort
7 shall place or attempt to place a wager on behalf of
8 another person who is not physically present in the
9 integrated resort;
- 10 (11) No person under twenty-one years of age shall be
11 allowed in an area of the integrated resort where
12 casino gaming is being conducted, except for a person
13 at least eighteen years of age who is an employee of
14 the integrated resort. No employee under twenty-one
15 years of age shall perform any function involved in
16 casino gaming by patrons. No person under twenty-one
17 years of age shall be allowed to make a wager under
18 this chapter;
- 19 (12) All tokens, chips, or electronic cards used to make
20 wagers shall only be purchased from the gaming
21 licensee within the integrated resort. The tokens,



1 chips, or electronic cards shall be used while within
2 the integrated resort only for the purpose of making
3 wagers on authorized games;

4 (13) Prior to commencing casino gaming operations at the
5 integrated resort, the gaming licensee shall enter
6 into a development agreement with the office, which
7 shall include at least the following terms:

8 (A) The selected gaming licensee agrees to invest at
9 least \$200,000,000 to develop and construct an
10 integrated resort on the site selected by the
11 office;

12 (B) The selected gaming licensee agrees to create
13 partnerships with local educational institutions
14 to train Native Hawaiians for jobs that are
15 available at the integrated resort;

16 (C) The gaming licensee agrees that neither the
17 gaming licensee, nor any parent or subsidiary of
18 the gaming licensee, will allow wagering on
19 Hawaii collegiate athletics regardless of its
20 legality in other jurisdictions where the
21 licensee operates;



1 (D) All revenue under the development agreement shall
2 be deposited into the casino gaming special fund
3 established by section 10- ; and

4 (E) The gaming licensee and the State agree that,
5 other than the one gaming license issued under
6 this chapter, the State shall not authorize any
7 additional gaming in the State during the initial
8 forty-year gaming license period; and

9 (14) Casino gaming shall be conducted in accordance with
10 all rules adopted by the commission.

11 § -19 **Wagering tax; rate; disposition.** A wagering tax
12 shall be imposed on the gross gaming revenues of the gaming
13 licensee at the rate of forty-five per cent. Tax revenues
14 collected under this section shall be divided as follows:

15 (1) per cent deposited into the casino gaming special
16 fund established by section 10- ;

17 (2) per cent deposited into the state general fund;
18 and

19 (3) per cent deposited into the state gaming fund
20 established under section -20.



1 **§ -20 State gaming fund; disposition of taxes collected.**

2 There is established within the state treasury the state gaming
3 fund to be administered by the commission into which shall be
4 deposited all fees, taxes, and fines collected under this
5 chapter. Moneys from the state gaming fund may be used to fund:

- 6 (1) A compulsive gamblers program and public security at
7 the integrated resort;
- 8 (2) Training for Native Hawaiians for jobs that are
9 available at the integrated resort, to be provided
10 by local educational institutions;
- 11 (3) Road or other improvements to address any traffic
12 issues as a result of the integrated resort; and
- 13 (4) Administrative expenses of the commission.

14 **§ -21 Legislative oversight.** After the first full
15 fiscal year of operation, the state auditor shall conduct a
16 program and financial audit of the commission. Thereafter, the
17 auditor shall conduct a program and financial audit every four
18 years after the initial audit is completed.

19 **§ -22 Disclosure of information.** The commission, upon
20 written request from any person, shall provide the following
21 information concerning the applicant or licensee; the



1 applicant's or licensee's products, services, or casino gambling
2 operations; and the applicant's or licensee's business holdings
3 if the commission has the information in its possession:

4 (1) The name, business address, and business telephone
5 number;

6 (2) An identification of any applicant or licensee
7 including, if an applicant or licensee is not an
8 individual, its state of incorporation or
9 registration, and its corporate officers;

10 (3) The name and business telephone number of any
11 attorney, counsel, lobbyist, or any other person
12 representing an applicant or licensee in matters
13 before the commission; and

14 (4) A description of the product or service to be
15 supplied by, or occupation to be engaged in by, a
16 licensee."

17 SECTION 3. Chapter 10, Hawaii Revised Statutes, is amended
18 by adding a new section to be appropriately designated and to
19 read as follows:



1 "§10- Casino gaming special fund. (a) There is
2 created in the state treasury the casino gaming special fund to
3 be administered by the office into which shall be deposited:

4 (1) Revenue from the development agreement executed
5 between the gaming licensee and the office pursuant to
6 section -18;

7 (2) A portion of the wagering tax imposed on casino gaming
8 licensees pursuant to section -19;

9 (3) Any moneys appropriated by the legislature to the
10 special fund; and

11 (4) The interest or return on investments earned from
12 moneys in the special fund.

13 All moneys in the special fund shall be used to fulfill the
14 purposes of this chapter.

15 (b) If the special fund is terminated, all funds shall be
16 transferred to the general fund; provided that all unexpended or
17 unencumbered balances shall be disbursed in accordance with any
18 requirements set by funding sources and for purposes consistent
19 with this chapter."



1 SECTION 4. Chapter 712, Hawaii Revised Statutes, is
2 amended by adding a new section to part III to be appropriately
3 designated and to read as follows:

4 "§712- Casino gaming; exempted. This part shall not
5 apply to casino gaming as authorized under chapter ."

6 SECTION 5. There is appropriated out of the general fund
7 the sum of \$5,000,000 or so much thereof as may be necessary for
8 fiscal year 2024-2025 to be deposited into the casino gaming
9 special fund.

10 SECTION 6. There is appropriated out of the casino gaming
11 special fund the sum of \$5,000,000 or so much thereof as may be
12 necessary for fiscal year 2024-2025 for the purpose of funding
13 the operations of the Hawaii gaming commission; provided that:

14 (1) The gaming licensee shall reimburse the amount
15 appropriated by remitting \$5,000,000 to the office of
16 Hawaiian affairs no later than the first day on which
17 the casino opens for operation; and

18 (2) The gaming licensee's application fee under
19 section -8(e), Hawaii Revised Statutes, shall be
20 applied as a credit against the \$5,000,000 amount due
21 under this section.



1 The sum appropriated shall be expended by the office of
2 Hawaiian affairs for the purposes of this Act.

3 SECTION 7. In accordance with section 9 of article VII of
4 the Hawaii State Constitution and sections 37-91 and 37-93,
5 Hawaii Revised Statutes, the legislature has determined that the
6 appropriations contained in H.B. No. , will cause the state
7 general fund expenditure ceiling for fiscal year 2024-2025 to be
8 exceeded by \$ or per cent. In addition, the
9 appropriation contained in this Act will cause the general fund
10 expenditure ceiling for fiscal year 2024-2025 to be further
11 exceeded by \$ or per cent. The combined total
12 amount of general fund appropriations contained in only these
13 two Acts will cause the state general fund expenditure ceiling
14 for fiscal year 2024-2025 to be exceeded by
15 \$ or per cent. The reasons for exceeding the
16 general fund expenditure ceiling are that:

- 17 (1) The appropriation made in this Act is necessary to
18 serve the public interest; and
- 19 (2) The appropriation made in this Act meets the needs
20 addressed by this Act.



1 SECTION 8. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 9. This Act shall take effect on July 1, 3000.



Report Title:

Limited Casino Gaming; Single Integrated Resort; Hawaii Gaming Commission; Office of Hawaiian Affairs; Wagering Tax; State Gaming Fund; Casino Gaming Special Fund; Appropriation; Expenditure Ceiling

Description:

Authorizes limited casino gaming at a single integrated resort property on lands under the control of the Office of Hawaiian Affairs designated for commercial use on the island of Oahu excluding lands west of Ko Olina. Establishes the Hawaii Gaming Commission. Imposes wagering tax on gross gaming revenue. Creates the State Gaming Fund. Appropriates funds. Effective 7/1/3000. (HD1)

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

