



1 "Approved mobile application or digital platform" means a  
2 mobile application or digital platform approved by the  
3 department that use the Internet, at least in part, to accept  
4 wagers originating in the State or in a state or jurisdiction  
5 approved by the department and consistent with federal law.

6 "Cash" means moneys that have value as legal tender.

7 "Collegiate sports or athletic event" means an athletic or  
8 sporting event in which at least one participant is a team or  
9 contestant competing on behalf or under the sponsorship of a  
10 public or private institution of higher education, regardless of  
11 where the institution is located.

12 "Department" means the department of law enforcement.

13 "Fantasy sports contest" means a contest in which:

- 14 (1) There are no fewer than two participants; provided  
15 that all participants are natural persons and a  
16 fantasy sports contest operator shall not be construed  
17 to be a participant;
- 18 (2) Participants own, manage, or coach imaginary teams;
- 19 (3) All prizes and awards offered to winning participants  
20 are established and made known to participants in  
21 advance of the game or contest;



1 (4) The winning outcome of the game or contest reflects  
2 the relative skill of the participants and is  
3 determined by statistics generated by actual  
4 individuals, including athletes in the case of a  
5 sporting event; and

6 (5) No winning outcome is based solely on the performance  
7 of an individual athlete or on the score, point  
8 spread, or any performance of any single real-world  
9 team or any combination of real-world teams.

10 "Gross sports wagering receipts" means the total of all  
11 cash paid by patrons as wagers.

12 "License" means any license applied for or issued by the  
13 department under this chapter, including but not limited to:

14 (1) A sports wagering operator license under section -5  
15 to permit a sports wagering operator to operate sports  
16 wagering through an approved mobile application or  
17 digital platform; and

18 (2) A sports wagering supplier license under section -6  
19 to sell or lease equipment, systems, or services to be  
20 used in connection with sports wagering but not to  
21 directly accept wagers.



1 "National criminal history background check system" means  
2 the criminal history record system maintained by the Federal  
3 Bureau of Investigation based on fingerprint identification or  
4 any other method of positive identification.

5 "Professional sports or athletic event" means an event at  
6 which two or more contestants participate in a sports event or  
7 athletic event and one or more participants receive  
8 compensation. "Professional sports or athletic event" does not  
9 include any youth sports event as defined in this section.

10 "Qualified gaming entity" means an entity that offers  
11 sports wagering through computers, mobile applications, or  
12 digital platforms in the State or in not fewer than three  
13 jurisdictions in the United States pursuant to a state  
14 regulatory structure.

15 "Sports wagering" means the business of accepting wagers on  
16 wagering events or portions of wagering events, the individual  
17 performance statistics of individuals in wagering events, or any  
18 combination thereof, via a sports wagering operator's approved  
19 mobile application or digital platform. "Sports wagering"  
20 includes but is not limited to single-game bets, teaser bets,  
21 parlays, over-under, moneyline, pools, exchange wagering,



1 in-game wagering, in-play bets, proposition bets, and straight  
2 bets. "Sports wagering" does not include fantasy sports  
3 contests.

4 "Sports wagering account" means a financial record  
5 established by a sports wagering operator for an individual  
6 patron in which the patron may deposit and withdraw funds for  
7 sports wagering and other authorized purchases and to which the  
8 licensed sports wagering operator may credit winnings or other  
9 amounts due to that patron or authorized by that patron.

10 "Sports wagering operator" means a sports wagering operator  
11 licensee pursuant to section -5.

12 "Wager" means a sum of money or thing of value risked on an  
13 uncertain occurrence.

14 "Wagering event" means any professional sports or athletic  
15 event, collegiate sports or athletic event, or amateur sports  
16 event, including but not limited to an Olympic or international  
17 sports or athletic event; a motor vehicle race; electronic  
18 sports event, also known as e-sports; and any other event as  
19 permitted by the department; provided that the event is not a  
20 youth sports event as defined in this section.



1 "Winnings" means the total of all sums actually paid out,  
2 including the monetary value of anything of value awarded as a  
3 prize.

4 "Youth sports event" means an athletic event:

5 (1) Involving a majority of participants under eighteen  
6 years of age; or

7 (2) In which at least one participant is a team from a  
8 public or private elementary, middle, or secondary  
9 school, regardless of where the school is located;

10 provided that if an athletic event meets the definition of  
11 "collegiate sports or athletic event" or "professional sports or  
12 athletic event", the event shall not be considered a youth  
13 sports event regardless of the age of the participants. An  
14 international athletic event organized by the International  
15 Olympic Committee shall not be considered to be a youth sports  
16 event, regardless of the age of the participants.

17 § -2 **Authorization of sports wagering; license required;**  
18 **rules; emergency rules.** (a) Notwithstanding any law to the  
19 contrary, sports wagering and ancillary activities shall be  
20 lawful when conducted under this chapter and rules adopted under  
21 this chapter.



1 (b) No person or entity shall engage in any activities in  
2 the State that require a license under this chapter unless all  
3 necessary licenses have been obtained under this chapter and  
4 rules adopted under this chapter.

5 (c) The department shall adopt rules pursuant to chapter  
6 91 to effectuate the purposes of this chapter. The department  
7 may adopt emergency rules pursuant to the requirements of  
8 sections 91-3 and 91-4; provided that:

9 (1) The department's determination that there is imminent  
10 peril and the reasons therefor shall be stated in, and  
11 as a part of, the emergency rule; and

12 (2) The authority shall make the emergency rule known to  
13 the public by publishing the rule, at least once, in a  
14 newspaper of general circulation in the State, within  
15 five days from the date the rule is filed with the  
16 lieutenant governor.

17 § -3 **Application; criminal history record check.** (a)  
18 An application for a license or renewal of a license required  
19 under this chapter shall be submitted on an application form as  
20 prescribed by the department. An application submitted to the  
21 department shall include the following:



- 1           (1) The full name, current address, and contact  
2                   information of the applicant;
- 3           (2) Disclosure of each person that has control of the  
4                   applicant as described in subsection (b);
- 5           (3) Consent to permit the department to conduct a criminal  
6                   history record check under subsection (c) of the  
7                   applicant and each person disclosed under subsection  
8                   (b) (2);
- 9           (4) For the applicant and each person disclosed under  
10                  paragraph (2) who is considered to have control over  
11                  the applicant pursuant to subsection (b) (2), a record  
12                  of previous issuances and denials of a  
13                  gambling-related license or application in the State  
14                  or in any other jurisdiction;
- 15          (5) For a sports wagering operator applicant, proof that  
16                  the sports wagering system has been tested and  
17                  certified for use in Hawaii or another United States  
18                  jurisdiction by an independent testing laboratory  
19                  within the last six months; and
- 20          (6) Any other information that the department may require  
21                  by rule.



1 (b) The following persons shall be considered to have  
2 control of an applicant or a licensee:

3 (1) Each corporate holding company, parent company, or  
4 subsidiary company of a corporate applicant or  
5 licensee and each person who owns fifteen per cent or  
6 more of the corporate applicant or licensee and who  
7 has the ability to control the activities of the  
8 corporate applicant or licensee or elect a majority of  
9 the board of directors of that corporate applicant or  
10 licensee, except for a bank or other licensed lending  
11 institution that holds a mortgage or other lien  
12 acquired in the ordinary course of business;

13 (2) Each person associated with a noncorporate applicant  
14 or licensee that directly or indirectly holds a  
15 beneficial or proprietary interest in the noncorporate  
16 applicant's or licensee's business operation or that  
17 the department otherwise determines has the ability to  
18 control the noncorporate applicant or licensee; and

19 (3) Any executive, employee, or agent of an applicant or  
20 licensee who has ultimate decision-making authority



1 over the conduct of the applicant's or licensee's  
2 sports wagering operations in the State.

3 (c) The department shall request a criminal history record  
4 check in the form prescribed by the department and submit  
5 fingerprints for a national criminal records check against the  
6 national criminal history background check system. The  
7 fingerprints shall be furnished by all persons required to be  
8 named in the application and shall be accompanied by a signed  
9 authorization for the release of information by a law  
10 enforcement agency in the State and the Federal Bureau of  
11 Investigation; provided that an individual who has submitted to  
12 a criminal history record check in the State or any other state  
13 within the previous twelve months shall not be required to  
14 submit to another criminal history record check; provided  
15 further that the individual shall submit the results of the  
16 previous criminal history record check to the department and  
17 affirm that there has been no material change in the  
18 individual's criminal history since the time of the previous  
19 criminal history record check.

20 (d) A person licensed under this chapter shall give the  
21 department written notice within thirty days of any material



1 change to any information provided in the licensee's application  
2 for a license or renewal, including any change in the identity  
3 of persons considered to have control of the licensee under  
4 subsection (b).

5 (e) The department shall keep information, records,  
6 interviews, reports, statements, memoranda, or other data  
7 supplied to or used by the department in the course of its  
8 review or investigation of an applicant for a sports wagering  
9 operator license confidential to the extent the information,  
10 records, interviews, reports, statements, memoranda, or other  
11 data falls within an exception to public disclosure under  
12 chapter 92F. The department shall also keep confidential  
13 information pertaining to any applicant or licensee to the  
14 extent the information falls within an exception to public  
15 disclosure under chapter 92F.

16 **§ -4 Denial of license; reprimand, suspension, and**  
17 **revocation.** The department may deny a license to any applicant,  
18 reprimand any licensee, or suspend or revoke a license if:

19 (1) The applicant or licensee has knowingly made a false  
20 statement of material fact to the department;



- 1           (2) The applicant or licensee has intentionally not  
2 disclosed the existence or identity of other persons  
3 that have control of the applicant or licensee as  
4 required by section -3;
- 5           (3) The applicant or licensee has had a license revoked by  
6 any government authority responsible for the  
7 regulation of gambling or gaming activities;
- 8           (4) The applicant or licensee has been convicted of a  
9 crime of moral turpitude, gambling-related offense,  
10 theft or fraud offense, or has otherwise demonstrated,  
11 either by a police record or other satisfactory  
12 evidence, a lack of respect for law and order;
- 13           (5) The applicant or licensee has not demonstrated to the  
14 satisfaction of the department financial  
15 responsibility sufficient to adequately meet the  
16 requirements of the licensed business or proposed  
17 business; or
- 18           (6) An applicant or licensee has not met the requirements  
19 of this section or any other provision of this  
20 chapter.



1           §   -5 **Sports wagering operator license; issuance; fees;**  
2 **term of license; temporary license.** (a) The department shall  
3 issue a minimum of four sports wagering operator licenses to  
4 applicants that meet all requirements of this section,  
5 section   -3, and rules adopted under this chapter and that  
6 have not violated any provision of this chapter; provided that  
7 this section shall not be interpreted to direct the department  
8 to issue a license to an unqualified applicant. The department  
9 shall establish a universal start date for sports wagering  
10 operators that is no later than one hundred eighty days after  
11 the effective date of this Act. No person shall offer sports  
12 wagering in the State before the universal start date.

13           (b) Only a qualified gaming entity shall be eligible to  
14 apply for a sports wagering operator license.

15           (c) A sports wagering operator license granted by the  
16 department pursuant to this section shall grant a licensee the  
17 lawful authority to conduct sports wagering through a mobile  
18 application or digital platform approved by the department and  
19 any rules adopted under this chapter.

20           (d) The fee for an initial or renewal sports wagering  
21 operator license shall be \$250,000; provided that the fee shall



1 be retained by the department for the costs of administering  
2 this chapter. In addition to the license fee, the department  
3 may charge a processing fee for an initial or renewal sports  
4 wagering operator license in an amount equal to the projected  
5 cost of processing the application and performing any background  
6 investigations. If the actual cost exceeds the projected cost,  
7 an additional fee may be charged to meet the actual cost;  
8 provided that if the projected cost exceeds the actual cost, the  
9 difference may be refunded to the applicant or licensee.

10 (e) Except as provided in subsection (f), a license  
11 granted or renewed under this section shall be valid for five  
12 years, unless sooner revoked by the department pursuant to  
13 section -4.

14 (f) An applicant for a sports wagering operator license  
15 may submit with the application a request to the department to  
16 commence sports wagering through a temporary license subject to  
17 the universal start date in subsection (a); provided that this  
18 request shall include the initial license fee of \$250,000  
19 payable to the department. Upon receiving a request for a  
20 temporary license, the department shall review the request. If  
21 the department determines that the entity requesting the



1 temporary license is a qualified gaming entity, meets the  
2 requirements established by rule for a temporary license, has  
3 paid the initial license fee for a temporary license, and has  
4 submitted an application for a sports wagering operator license  
5 and the department is not aware of any reason the applicant is  
6 ineligible for a license under this section, the department  
7 shall, subject to the limitations and requirements of subsection  
8 (a), issue a temporary sports wagering operator license to the  
9 qualified gaming entity. A temporary sports wagering operator  
10 license issued under this subsection shall be valid for three  
11 years or until a final determination on the sports wagering  
12 operator license application is made, whichever is sooner. If  
13 after investigation the department determines that the applicant  
14 is eligible for a sports wagering operator license under this  
15 chapter, the department shall issue the initial sports wagering  
16 operator license, at which time the temporary license shall be  
17 terminated. If after investigation the department determines  
18 that the applicant is not eligible for a sports wagering  
19 operator license under this chapter, the department shall revoke  
20 the temporary license and shall not issue a sports wagering  
21 operator license. Sports wagering conducted under the authority



1 of a temporary license shall comply with the sports wagering  
2 operator's house rules adopted pursuant to section -7.

3 § -6 **Sports wagering supplier license; issuance; fees;**  
4 **term of license; temporary license.** (a) The department shall  
5 issue a sports wagering supplier license upon finding that the  
6 applicant meets all the requirements of this section,  
7 section -3, and rules adopted under this chapter.

8 (b) An applicant for a sports wagering supplier license  
9 shall demonstrate that the equipment, systems, or services that  
10 the applicant plans to offer to a sports wagering operator  
11 conform to standards established by the department by rule. The  
12 department may accept approval by another jurisdiction that is  
13 specifically determined by the department to have similar  
14 standards for equipment, systems, or services as evidence that  
15 the applicant meets the standards established by the department.

16 (c) A sports wagering supplier license granted by the  
17 department pursuant to this section shall grant a licensee  
18 lawful authority to sell or lease sports wagering equipment,  
19 systems, or services to sports wagering operators in the State  
20 within the terms and conditions of the license and any rules  
21 adopted under this chapter.



1 (d) The fee for an initial or renewal sports wagering  
2 supplier license shall be \$10,000; provided that the fee shall  
3 be retained by the department for the costs of administering  
4 this chapter. In addition to the license fee, the department  
5 may charge a processing fee for an initial or renewed license in  
6 an amount equal to the projected cost of processing the  
7 application and performing any background investigations. If  
8 the actual cost exceeds the projected cost, an additional fee  
9 may be charged to meet the actual cost; provided that if the  
10 projected cost exceeds the actual cost, the difference may be  
11 refunded to the applicant or licensee.

12 (e) Except as provided in subsection (f), a license  
13 granted or renewed under this section shall be valid for five  
14 years unless sooner revoked by the department under  
15 section -4.

16 (f) An applicant for a sports wagering supplier license  
17 may submit with the application a request for a temporary  
18 license; provided that the request for a temporary license shall  
19 include the initial license fee of \$10,000. If the department  
20 determines that the applicant is qualified under subsection (b),  
21 meets the requirements established by rule for a temporary



1 license, and has paid the initial license fee for a temporary  
2 license and the department is not aware of any reason the  
3 applicant is ineligible for a license under this section, the  
4 department shall issue a temporary sports wagering supplier  
5 license. A temporary sports wagering supplier license issued  
6 under this subsection shall be valid for three years or until a  
7 final determination on the sports wagering supplier license  
8 application is made, whichever is sooner. If after  
9 investigation the department determines that the applicant is  
10 eligible for a sports wagering supplier license under this  
11 chapter, the department shall issue the initial sports wagering  
12 supplier license, at which time the temporary license shall be  
13 terminated. If after investigation the department determines  
14 that the applicant is not eligible for a sports wagering  
15 supplier license under this chapter, the department shall revoke  
16 the temporary license and shall not issue a sports wagering  
17 supplier license.

18 § -7 **Sports wagering operator; house rules.** (a) A  
19 sports wagering operator shall adopt comprehensive house rules  
20 for game play governing sports wagering transactions with its  
21 patrons. The rules shall specify the amounts to be paid on



1 winning wagers; the circumstances under which the sports  
2 wagering operator will void a bet; treatment of errors, late  
3 bets, and related contingencies; and the effect of schedule  
4 changes. The department shall approve house rules before  
5 implementation by a sports wagering operator.

6 (b) The house rules, together with any other information  
7 the department determines to be appropriate, shall be available  
8 in the sports wagering system.

9 § -8 **Sports wagering operator; duties.** A sports  
10 wagering operator shall:

11 (1) Employ a monitoring system using software to identify  
12 irregularities in volume or odds swings that could  
13 signal suspicious activity that requires further  
14 investigation; provided that the suspicious activity  
15 shall be promptly reported to and investigated by the  
16 department; provided further that monitoring system  
17 requirements and specifications shall be consistent  
18 with industry standards;

19 (2) Promptly report to the department any facts or  
20 circumstances related to the operation of a licensee  
21 that constitute a violation of state or federal law



- 1 and immediately report any suspicious betting over a  
2 threshold amount, to be set by the sports wagering  
3 operator and approved by the department;
- 4 (3) Conduct all sports wagering activities and functions  
5 in a manner that does not pose a threat to the public  
6 health, safety, or welfare of the residents of the  
7 State;
- 8 (4) Keep current in all payments and obligations to the  
9 department;
- 10 (5) Prevent any person from tampering with or interfering  
11 with any sports wagering;
- 12 (6) Ensure that sports wagering occurs using only an  
13 approved mobile application or digital platform;
- 14 (7) Conspicuously display in all advertising for sports  
15 wagering the availability of the toll-free helpline  
16 "1-800-GAMBLER" or a successor phone number;
- 17 (8) At all times, maintain sufficient cash and other  
18 supplies to conduct sports wagering;
- 19 (9) Maintain daily records showing the gross sports  
20 wagering receipts and adjusted gross sports wagering  
21 receipts of the licensee; and



1 (10) Timely file with the department any additional reports  
2 required by this chapter or by rule adopted under this  
3 chapter.

4 § -9 **Sports wagering agreements.** (a) The department  
5 may:

6 (1) Enter into sports wagering agreements with other  
7 states, territories, nations, jurisdictions,  
8 governments, or other entities to accept wagers from  
9 individuals located outside the State; provided that  
10 entering into the sports wagering agreement shall not  
11 violate state or federal law; and

12 (2) Take all necessary actions to ensure that any sports  
13 wagering agreement entered into pursuant to this  
14 section becomes effective.

15 (b) The department may adopt rules pursuant to chapter 91  
16 to implement this section.

17 § -10 **Acceptance of wagers; sports wagering accounts;  
18 excluded persons.** (a) A sports wagering operator shall accept  
19 wagers on wagering events only through an approved mobile  
20 application or digital platform or a patron's sports wagering  
21 account using an approved mobile application or digital



1 platform. The branding for each approved mobile application or  
2 digital platform shall be determined by the sports wagering  
3 operator.

4 (b) A sports wagering account may be established through  
5 an approved mobile application or digital platform. A sports  
6 wagering operator shall allow patrons to fund a sports wagering  
7 account using:

8 (1) A credit or debit card;

9 (2) Bonuses or promotions;

10 (3) Electronic bank transfer;

11 (4) An online or mobile payment system that supports  
12 online money transfers; and

13 (5) Any other means approved by the department.

14 (c) A person placing a wager shall be at least twenty-one  
15 years of age. A person placing a wager shall be physically  
16 located in the State unless the department has entered into a  
17 sports wagering agreement pursuant to section -9 to accept  
18 wagers from individuals located outside the State. No person  
19 shall offer sports wagering at a physical location via kiosks,  
20 computer terminals, or other means established for that purpose.



1 (d) A sports wagering operator may accept layoff wagers  
2 placed by other sports wagering operators and may place layoff  
3 wagers with other sports wagering operators as long as a sports  
4 wagering operator that places a wager with another sports  
5 wagering operator informs the sports wagering operator accepting  
6 the wager that the wager is being placed by a sports wagering  
7 operator and discloses the sports wagering operator's identity.

8 (e) The department shall establish a voluntary exclusion  
9 program for any individual to voluntarily exclude themselves  
10 from sports wagering. Sports wagering operators shall use  
11 reasonable means to comply with the exclusion of individuals  
12 participating in the voluntary exclusion program by the  
13 department.

14 (f) The department shall adopt rules to establish the  
15 voluntary exclusion program, including the following:

16 (1) Verification of the individual's request to be placed  
17 in the voluntary exclusion program and for how long,  
18 up to and including that individual's lifetime;

19 (2) How information regarding the identity of individuals  
20 who are in the voluntary exclusion program shall be  
21 disseminated to sports wagering operators;



1 (3) How an individual in the voluntary exclusion program  
2 may petition the department for removal from the  
3 voluntary exclusion program;

4 (4) The means by which sports wagering operators and their  
5 agents shall make all reasonable efforts to cease  
6 direct marketing efforts to individuals participating  
7 in the voluntary exclusion program; and

8 (5) The means by which the department shall make available  
9 to all sports wagering operators the names of the  
10 individuals participating in the voluntary exclusion  
11 program; provided that the names shall be made  
12 available at least quarterly.

13 (g) The names of the individuals participating in the  
14 voluntary exclusion program shall be treated as confidential by  
15 each sports wagering operator. Sports wagering operators  
16 conducting sports wagering in another state may share the  
17 information provided under this section with its agents and  
18 affiliates in other states for excluding individuals  
19 participating in the voluntary exclusion program.

20 (h) No employee of a sports wagering operator shall place  
21 a wager on any wagering event through an unapproved or approved



1 mobile application or digital platform of that employee's  
2 employer.

3       **§ -11 Sports wagering revenues; tax.** (a) For the  
4 privilege of holding a license to engage in sports wagering as a  
5 sports wagering operator, the tax imposed by section 237-13(9)  
6 shall be levied on the licensee. The accrual method of  
7 accounting shall be used for purposes of calculating the amount  
8 of the tax owed by the licensee. The department of taxation  
9 shall adopt rules and develop any forms necessary to carry out  
10 enforcement of this section. This tax shall be in lieu of all  
11 other taxes imposed on the operation of sports wagering or on  
12 the proceeds from the operation of sports wagering in the State.

13       (b) Of all taxes collected pursuant to this section:

14       (1) Seven per cent shall be deposited into the problem  
15       gambling prevention and treatment special fund  
16       established under section -12; and

17       (2) Seven per cent shall be used for programs that support  
18       education in the State.

19       **§ -12 Problem gambling prevention and treatment special**  
20 **fund.** (a) There shall be established the problem gambling



1 prevention and treatment special fund to be administered by the  
2 department of health into which shall be deposited:

3 (1) Appropriations by the legislature to the special fund;

4 and

5 (2) The portion of taxes collected under section -11  
6 for deposit into the problem gambling prevention and  
7 treatment special fund.

8 Any interest and moneys earned on the investments shall be  
9 credited to the problem gambling prevention and treatment  
10 special fund. Notwithstanding any other provision of law to the  
11 contrary, any moneys remaining in the special fund at the end of  
12 the biennium shall not revert to the credit of the general fund  
13 of the State.

14 (b) Subject to legislative appropriation, moneys in the  
15 problem gambling prevention and treatment special fund shall be  
16 expended by the department of health for:

17 (1) Counseling and other support services for disordered  
18 and problem gamers;

19 (2) Developing and implementing problem gaming treatment  
20 and prevention programs; and



1           (3) Creating and disseminating responsible gaming  
2           education and messages.

3           §    **-13 Civil violation.** Except as provided in  
4 section     -14, a violation of any provision of this chapter  
5 shall be a civil violation. The department may impose a fine of  
6 no more than \$5,000 on any person who violates this chapter or  
7 \$10,000 for all violations resulting from the same occurrence of  
8 events. Fines imposed under this chapter shall not be limited  
9 to persons licensed under this chapter.

10          §    **-14 Unlicensed sports wagering; penalties.** (a) It  
11 shall be unlawful for any person to conduct sports wagering  
12 without a valid license issued pursuant to this chapter.

13          (b) Any person convicted of violating this section for an  
14 offense and who:

15           (1) Does not have any prior conviction under this section  
16           or under part III of chapter 712, shall be guilty of a  
17           misdemeanor; provided that in addition to any other  
18           penalties imposed, the person shall be subject to a  
19           fine of no less than \$10,000;

20           (2) Has one prior conviction under this section or under  
21           part III of chapter 712, shall be guilty of a class C



1           felony; provided that in addition to any other  
2           penalties imposed, the person shall be subject to a  
3           fine of no less than \$50,000; and

4           (3) Has two or more prior convictions under this section  
5           or under part III of chapter 712, shall be guilty of a  
6           class B felony; provided that in addition to any other  
7           penalties imposed, the person shall be subject to a  
8           fine of no less than \$100,000;

9           §   **-15 Exemption from gambling.** Sports wagering operated  
10          by a sports wagering operator licensed under and in compliance  
11          with this chapter shall not constitute a gambling offense under  
12          part III of chapter 712."

13          SECTION 2. Section 237-13, Hawaii Revised Statutes, is  
14          amended to read as follows:

15          "**§237-13 Imposition of tax.** There is hereby levied and  
16          shall be assessed and collected annually privilege taxes against  
17          persons on account of their business and other activities in the  
18          State measured by the application of rates against values of  
19          products, gross proceeds of sales, or gross income, whichever is  
20          specified, as follows:

21           (1) Tax on manufacturers.



1           (A) Upon every person engaging or continuing within  
2           the State in the business of manufacturing,  
3           including compounding, canning, preserving,  
4           packing, printing, publishing, milling,  
5           processing, refining, or preparing for sale,  
6           profit, or commercial use, either directly or  
7           through the activity of others, in whole or in  
8           part, any article or articles, substance or  
9           substances, commodity or commodities, the amount  
10          of the tax to be equal to the value of the  
11          articles, substances, or commodities,  
12          manufactured, compounded, canned, preserved,  
13          packed, printed, milled, processed, refined, or  
14          prepared for sale, as shown by the gross proceeds  
15          derived from the sale thereof by the manufacturer  
16          or person compounding, preparing, or printing  
17          them, multiplied by one-half of one per cent~~[+]~~;  
18          and  
19          (B) The measure of the tax on manufacturers [~~is~~]  
20          shall be the value of the entire product for  
21          sale~~[+]~~;



1           (2) Tax on business of selling tangible personal property;  
2           producing.

3           (A) Upon every person engaging or continuing in the  
4           business of selling any tangible personal  
5           property whatsoever, there is likewise hereby  
6           levied, and shall be assessed and collected, a  
7           tax equivalent to four per cent of the gross  
8           proceeds of sales of the business; provided that,  
9           in the case of a wholesaler, the tax shall be  
10          equal to one-half of one per cent of the gross  
11          proceeds of sales of the business; ~~and~~ provided  
12          further that insofar as the sale of tangible  
13          personal property is a wholesale sale under  
14          section 237-4(a)(8), the tax shall be one-half of  
15          one per cent of the gross proceeds. Upon every  
16          person engaging or continuing within this State  
17          in the business of a producer, the tax shall be  
18          equal to one-half of one per cent of the gross  
19          proceeds of sales of the business, or the value  
20          of the products, for sale~~(-)~~;



1           (B) Gross proceeds of sales of tangible property in  
2 interstate and foreign commerce shall constitute  
3 a part of the measure of the tax imposed on  
4 persons in the business of selling tangible  
5 personal property, to the extent, under the  
6 conditions, and [~~in accordance with~~] under the  
7 provisions of the Constitution of the United  
8 States and the Acts of the Congress of the United  
9 States which may be now in force or may be  
10 hereafter adopted, and whenever there occurs in  
11 the State an activity to which, under the  
12 Constitution and Acts of Congress, there may be  
13 attributed gross proceeds of sales, the gross  
14 proceeds shall be so attributed[~~+~~];

15           (C) No manufacturer or producer, engaged in such  
16 business in the State and selling the  
17 manufacturer's or producer's products for  
18 delivery outside of the State (for example,  
19 consigned to a mainland purchaser via common  
20 carrier f.o.b. Honolulu), shall be required to  
21 pay the tax imposed in this chapter for the



1 privilege of so selling the products, and the  
2 value or gross proceeds of sales of the products  
3 shall be included only in determining the measure  
4 of the tax imposed upon the manufacturer or  
5 producer[-];

6 (D) A manufacturer or producer, engaged in such  
7 business in the State, shall pay the tax imposed  
8 in this chapter for the privilege of selling its  
9 products in the State, and the value or gross  
10 proceeds of sales of the products, thus subjected  
11 to tax, may be deducted insofar as duplicated as  
12 to the same products by the measure of the tax  
13 upon the manufacturer or producer for the  
14 privilege of manufacturing or producing in the  
15 State; provided that no producer of agricultural  
16 products who sells the products to a purchaser  
17 who will process the products outside the State  
18 shall be required to pay the tax imposed in this  
19 chapter for the privilege of producing or selling  
20 those products[-];



- 1 (E) A taxpayer selling to a federal cost-plus  
2 contractor may make the election provided for by  
3 paragraph (3)(C), and in that case the tax shall  
4 be computed pursuant to the election,  
5 notwithstanding this paragraph or paragraph (1)  
6 to the contrary~~[-]~~; and
- 7 (F) The department, by rule, may require that a  
8 seller take from the purchaser of tangible  
9 personal property a certificate, in a form  
10 prescribed by the department, certifying that the  
11 sale is a sale at wholesale; provided that:
- 12 (i) Any purchaser who furnishes a certificate  
13 shall be obligated to pay to the seller,  
14 upon demand, the amount of the additional  
15 tax that is imposed upon the seller whenever  
16 the sale in fact is not at wholesale; and
- 17 (ii) The absence of a certificate in itself shall  
18 give rise to the presumption that the sale  
19 is not at wholesale unless the sales of the  
20 business are exclusively at wholesale~~[-]~~;
- 21 (3) Tax upon contractors.



1 (A) Upon every person engaging or continuing within  
2 the State in the business of contracting, the tax  
3 shall be equal to four per cent of the gross  
4 income of the business~~[-]~~;

5 (B) In computing the tax levied under this paragraph,  
6 there shall be deducted from the gross income of  
7 the taxpayer so much thereof as has been included  
8 in the measure of the tax levied under  
9 subparagraph (A), on another taxpayer who is a  
10 contractor, as defined in section 237-6; provided  
11 that any person claiming a deduction under this  
12 paragraph shall be required to show in the  
13 person's return the name and general excise  
14 number of the person paying the tax on the amount  
15 deducted by the person~~[-]~~;

16 (C) In computing the tax levied under this paragraph  
17 against any federal cost-plus contractor, there  
18 shall be excluded from the gross income of the  
19 contractor so much thereof as fulfills the  
20 following requirements:



- 1 (i) The gross income exempted shall constitute  
2 reimbursement of costs incurred for  
3 materials, plant, or equipment purchased  
4 from a taxpayer licensed under this chapter,  
5 not exceeding the gross proceeds of sale of  
6 the taxpayer on account of the transaction;  
7 and
- 8 (ii) The taxpayer making the sale shall have  
9 certified to the department that the  
10 taxpayer is taxable with respect to the  
11 gross proceeds of the sale, and that the  
12 taxpayer elects to have the tax on gross  
13 income computed the same as upon a sale to  
14 the state government~~[ ]~~; and
- 15 (D) A person who, as a business or as a part of a  
16 business in which the person is engaged, erects,  
17 constructs, or improves any building or  
18 structure, of any kind or description, or makes,  
19 constructs, or improves any road, street,  
20 sidewalk, sewer, or water system, or other  
21 improvements on land held by the person (whether



1 held as a leasehold, fee simple, or otherwise),  
2 upon the sale or other disposition of the land or  
3 improvements, even if the work was not done  
4 pursuant to a contract, shall be liable to the  
5 same tax as if engaged in the business of  
6 contracting, unless the person shows that at the  
7 time the person was engaged in making the  
8 improvements the person intended, and for the  
9 period of at least one year after completion of  
10 the building, structure, or other improvements  
11 the person continued to intend to hold and not  
12 sell or otherwise dispose of the land or  
13 improvements. The tax in respect of the  
14 improvements shall be measured by the amount of  
15 the proceeds of the sale or other disposition  
16 that is attributable to the erection,  
17 construction, or improvement of such building or  
18 structure, or the making, constructing, or  
19 improving of the road, street, sidewalk, sewer,  
20 or water system, or other improvements. The  
21 measure of tax in respect of the improvements



1 shall not exceed the amount [~~which~~] that would  
2 have been taxable had the work been performed by  
3 another, subject as in other cases to the  
4 deductions allowed by subparagraph (B). Upon the  
5 election of the taxpayer, this paragraph may be  
6 applied notwithstanding that the improvements  
7 were not made by the taxpayer, or were not made  
8 as a business or as a part of a business, or were  
9 made with the intention of holding the same.  
10 However, this paragraph shall not apply in  
11 respect of any proceeds that constitute or are in  
12 the nature of rent, which shall be taxable under  
13 paragraph (9); provided that insofar as the  
14 business of renting or leasing real property  
15 under a lease is taxed under section 237-16.5,  
16 the tax shall be levied by section 237-16.5[~~-~~];  
17 (4) Tax upon theaters, amusements, radio broadcasting  
18 stations, etc.  
19 (A) Upon every person engaging or continuing within  
20 the State in the business of operating a theater,  
21 opera house, moving picture show, vaudeville,



1 amusement park, dance hall, skating rink, radio  
2 broadcasting station, or any other place at which  
3 amusements are offered to the public, the tax  
4 shall be equal to four per cent of the gross  
5 income of the business, and in the case of a sale  
6 of an amusement at wholesale under section  
7 237-4(a)(13), the tax shall be one-half of one  
8 per cent of the gross income~~[+]~~; and

9 (B) The department may require that the person  
10 rendering an amusement at wholesale take from the  
11 licensed seller a certificate, in a form  
12 prescribed by the department, certifying that the  
13 sale is a sale at wholesale; provided that:

14 (i) Any licensed seller who furnishes a  
15 certificate shall be obligated to pay to the  
16 person rendering the amusement, upon demand,  
17 the amount of additional tax that is imposed  
18 upon the seller whenever the sale is not at  
19 wholesale; and

20 (ii) The absence of a certificate in itself shall  
21 give rise to the presumption that the sale



1                   is not at wholesale unless the person  
2                   rendering the sale is exclusively rendering  
3                   the amusement at wholesale[-];

4       (5) Tax upon sales representatives, etc. Upon every  
5       person classified as a representative or purchasing  
6       agent under section 237-1, engaging or continuing  
7       within the State in the business of performing  
8       services for another, other than as an employee, there  
9       is likewise hereby levied and shall be assessed and  
10      collected a tax equal to four per cent of the  
11      commissions and other compensation attributable to the  
12      services so rendered by the person[-];

13      (6) Tax on service business.

14           (A) Upon every person engaging or continuing within  
15           the State in any service business or calling  
16           including professional services not otherwise  
17           specifically taxed under this chapter, there is  
18           likewise hereby levied and shall be assessed and  
19           collected a tax equal to four per cent of the  
20           gross income of the business, and in the case of  
21           a wholesaler under section 237-4(a)(10), the tax



1 shall be equal to one-half of one per cent of the  
2 gross income of the business[-];

3 (B) The department may require that the person  
4 rendering a service at wholesale take from the  
5 licensed seller a certificate, in a form  
6 prescribed by the department, certifying that the  
7 sale is a sale at wholesale; provided that:

8 (i) Any licensed seller who furnishes a  
9 certificate shall be obligated to pay to the  
10 person rendering the service, upon demand,  
11 the amount of additional tax that is imposed  
12 upon the seller whenever the sale is not at  
13 wholesale; and

14 (ii) The absence of a certificate in itself shall  
15 give rise to the presumption that the sale  
16 is not at wholesale unless the person  
17 rendering the sale is exclusively rendering  
18 services at wholesale[-];

19 (C) Where any person is engaged in the business of  
20 selling interstate or foreign common carrier  
21 telecommunication services within and without the



1 State, other than as a home service provider, the  
2 tax shall be imposed on that portion of gross  
3 income received by a person from service [~~which~~]  
4 that is originated or terminated in [~~this~~] the  
5 State and is charged to a telephone number,  
6 customer, or account in [~~this~~] the State  
7 notwithstanding any other state law (except for  
8 the exemption under section 237-23(a)(1)) to the  
9 contrary. If, under the Constitution and laws of  
10 the United States, the entire gross income as  
11 determined under this paragraph of a business  
12 selling interstate or foreign common carrier  
13 telecommunication services cannot be included in  
14 the measure of the tax, the gross income shall be  
15 apportioned as provided in section 237-21;  
16 provided that the apportionment factor and  
17 formula shall be the same for all persons  
18 providing those services in the State~~[+]~~; and  
19 (D) Where any person is engaged in the business of a  
20 home service provider, the tax shall be imposed  
21 on the gross income received or derived from



1 providing interstate or foreign mobile  
2 telecommunications services to a customer with a  
3 place of primary use in [~~this~~] the State when the  
4 services originate in one state and terminate in  
5 another state, territory, or foreign country;  
6 provided that all charges for mobile  
7 telecommunications services [~~which~~] that are  
8 billed by or for the home service provider are  
9 deemed to be provided by the home service  
10 provider at the customer's place of primary use,  
11 regardless of where the mobile telecommunications  
12 originate, terminate, or pass through; provided  
13 further that the income from charges specifically  
14 derived from interstate or foreign mobile  
15 telecommunications services, as determined by  
16 books and records that are kept in the regular  
17 course of business by the home service provider  
18 in accordance with section 239-24, shall be  
19 apportioned under any apportionment factor or  
20 formula adopted under subparagraph (C). Gross  
21 income shall not include:



- 1 (i) Gross receipts from mobile  
2 telecommunications services provided to a  
3 customer with a place of primary use outside  
4 ~~[this]~~ the State;
- 5 (ii) Gross receipts from mobile  
6 telecommunications services that are subject  
7 to the tax imposed by chapter 239;
- 8 (iii) Gross receipts from mobile  
9 telecommunications services taxed under  
10 section 237-13.8; and
- 11 (iv) Gross receipts of a home service provider  
12 acting as a serving carrier providing mobile  
13 telecommunications services to another home  
14 service provider's customer.
- 15 For the purposes of this paragraph, "charges for  
16 mobile telecommunications services", "customer",  
17 "home service provider", "mobile  
18 telecommunications services", "place of primary  
19 use", and "serving carrier" have the same meaning  
20 as in section 239-22~~[+]~~;



- 1           (7) Tax on insurance producers. Upon every person engaged  
2           as a licensed producer pursuant to chapter 431, there  
3           is hereby levied and shall be assessed and collected a  
4           tax equal to 0.15 per cent of the commissions due to  
5           that activity[~~-~~];
- 6           (8) Tax on receipts of sugar benefit payments. Upon the  
7           amounts received from the United States government by  
8           any producer of sugar (or the producer's legal  
9           representative or heirs), as defined under and by  
10          virtue of the Sugar Act of 1948, as amended, or other  
11          Acts of the Congress of the United States relating  
12          thereto, there is hereby levied a tax of one-half of  
13          one per cent of the gross amount received; provided  
14          that the tax levied hereunder on any amount so  
15          received and actually disbursed to another by a  
16          producer in the form of a benefit payment shall be  
17          paid by the person or persons to whom the amount is  
18          actually disbursed, and the producer actually making a  
19          benefit payment to another shall be entitled to claim  
20          on the producer's return a deduction from the gross  
21          amount taxable hereunder in the sum of the amount so



1 disbursed. The amounts taxed under this paragraph  
2 shall not be taxable under any other paragraph,  
3 subsection, or section of this chapter~~(-)~~;

4 (9) Tax on licensed sports wagering. Upon every person  
5 engaged in sports wagering as a licensed sports  
6 wagering operator or sports wagering supplier in the  
7 State pursuant to chapter \_\_\_\_\_, there is hereby  
8 levied and shall be assessed and collected a tax equal  
9 to ten per cent of the adjusted gross sports wagering  
10 receipts. For purposes of this paragraph, "adjusted  
11 gross sports wagering receipts" has the same meaning  
12 as defined in section \_\_\_\_\_ -1; and

13 [~~+9~~] (10) Tax on other business. Upon every person  
14 engaging or continuing within the State in any  
15 business, trade, activity, occupation, or calling not  
16 included in the preceding paragraphs or any other  
17 provisions of this chapter, there is likewise hereby  
18 levied and shall be assessed and collected, a tax  
19 equal to four per cent of the gross income thereof.  
20 In addition, the rate prescribed by this paragraph  
21 shall apply to a business taxable under one or more of



1 the preceding paragraphs or other provisions of this  
2 chapter, as to any gross income thereof not taxed  
3 thereunder as gross income or gross proceeds of sales  
4 or by taxing an equivalent value of products, unless  
5 specifically exempted."

6 SECTION 3. Section 712-1220, Hawaii Revised Statutes, is  
7 amended by amending the definitions of "contest of chance" and  
8 "gambling" to read as follows:

9 ""Contest of chance" means any contest, game, gaming  
10 scheme, or gaming device in which the outcome depends in a  
11 material degree upon an element of chance, notwithstanding that  
12 skill of the contestants may also be a factor therein. "Contest  
13 of chance" does not include sports wagering under  
14 chapter \_\_\_\_\_ or fantasy sports contests as defined in  
15 section \_\_\_\_\_ -1.

16 "Gambling" [~~A person engages in gambling if he stakes or~~  
17 ~~risks~~] means staking or risking something of value upon the  
18 outcome of a contest of chance or a future contingent event not  
19 under [~~his~~] the person's control or influence, upon an agreement  
20 or understanding that [~~he~~] the person or someone else will



1 receive something of value in the event of a certain outcome.

2 "Gambling" does not include [~~bona~~]:

3       (1) Bona fide business transactions valid under the law of  
4           contracts, including but not limited to contracts for  
5           the purchase or sale at a future date of securities or  
6           commodities[~~, and agreements~~];

7       (2) Agreements to compensate for loss caused by the  
8           happening of chance, including but not limited to  
9           contracts of indemnity or guaranty and life, health,  
10          or accident insurance[~~-~~];

11       (3) Sports wagering authorized under chapter           and  
12          placing wagers on wagering events or portions of  
13          wagering events, the individual performance statistics  
14          of individuals in wagering events, or any combination  
15          thereof, by any system or method of wagering under  
16          chapter           ; or

17       (4) Fantasy sports contests as defined in section   -1."

18       SECTION 4. Section 846-2.7, Hawaii Revised Statutes, is  
19 amended by amending subsection (b) to read as follows:

20       "(b) Criminal history record checks may be conducted by:



- 1           (1) The department of health or its designee on operators  
2           of adult foster homes for individuals with  
3           developmental disabilities or developmental  
4           disabilities domiciliary homes and their employees, as  
5           provided by section 321-15.2;
- 6           (2) The department of health or its designee on  
7           prospective employees, persons seeking to serve as  
8           providers, or subcontractors in positions that place  
9           them in direct contact with clients when providing  
10          non-witnessed direct mental health or health care  
11          services as provided by section 321-171.5;
- 12          (3) The department of health or its designee on all  
13          applicants for licensure or certification for,  
14          operators for, prospective employees, adult  
15          volunteers, and all adults, except adults in care, at  
16          healthcare facilities as defined in section 321-15.2;
- 17          (4) The department of education on employees, prospective  
18          employees, and teacher trainees in any public school  
19          in positions that necessitate close proximity to  
20          children as provided by section 302A-601.5;



- 1           (5) The counties on employees and prospective employees  
2                    who may be in positions that place them in close  
3                    proximity to children in recreation or child care  
4                    programs and services;
- 5           (6) The county liquor commissions on applicants for liquor  
6                    licenses as provided by section 281-53.5;
- 7           (7) The county liquor commissions on employees and  
8                    prospective employees involved in liquor  
9                    administration, law enforcement, and liquor control  
10                  investigations;
- 11          (8) The department of human services on operators and  
12                  employees of child caring institutions, child placing  
13                  organizations, and resource family homes as provided  
14                  by section 346-17;
- 15          (9) The department of human services on prospective  
16                  adoptive parents as established under section  
17                  346-19.7;
- 18          (10) The department of human services or its designee on  
19                  applicants to operate child care facilities, household  
20                  members of the applicant, prospective employees of the  
21                  applicant, and new employees and household members of



- 1 the provider after registration or licensure as  
2 provided by section 346-154, and persons subject to  
3 section 346-152.5;
- 4 (11) The department of human services on persons exempt  
5 pursuant to section 346-152 to be eligible to provide  
6 child care and receive child care subsidies as  
7 provided by section 346-152.5;
- 8 (12) The department of health on operators and employees of  
9 home and community-based case management agencies and  
10 operators and other adults, except for adults in care,  
11 residing in community care foster family homes as  
12 provided by section 321-15.2;
- 13 (13) The department of human services on staff members of  
14 the Hawaii youth correctional facility as provided by  
15 section 352-5.5;
- 16 (14) The department of human services on employees,  
17 prospective employees, and volunteers of contracted  
18 providers and subcontractors in positions that place  
19 them in close proximity to youth when providing  
20 services on behalf of the office or the Hawaii youth  
21 correctional facility as provided by section 352D-4.3;



- 1       (15) The judiciary on employees and applicants at detention
- 2             and shelter facilities as provided by section 571-34;
- 3       (16) The department of corrections and rehabilitation on
- 4             employees and prospective employees, volunteers,
- 5             contract service providers, and subcontract service
- 6             providers who are directly involved with the treatment
- 7             and care of, or directly involved in providing
- 8             correctional programs and services to, persons
- 9             committed to a correctional facility, or placed in
- 10            close proximity to persons committed when providing
- 11            services on behalf of the department or the
- 12            correctional facility, as provided by section 353-1.5
- 13            and the department of law enforcement on employees and
- 14            prospective employees whose duties involve or may
- 15            involve the exercise of police powers including the
- 16            power of arrest as provided by section 353C-5;
- 17       (17) The board of private detectives and guards on
- 18             applicants for private detective or private guard
- 19             licensure as provided by section 463-9;
- 20       (18) Private schools and designated organizations on
- 21             employees and prospective employees who may be in



- 1 positions that necessitate close proximity to  
2 children; provided that private schools and designated  
3 organizations receive only indications of the states  
4 from which the national criminal history record  
5 information was provided pursuant to section 302C-1;
- 6 (19) The public library system on employees and prospective  
7 employees whose positions place them in close  
8 proximity to children as provided by section  
9 302A-601.5;
- 10 (20) The State or any of its branches, political  
11 subdivisions, or agencies on applicants and employees  
12 holding a position that has the same type of contact  
13 with children, vulnerable adults, or persons committed  
14 to a correctional facility as other public employees  
15 who hold positions that are authorized by law to  
16 require criminal history record checks as a condition  
17 of employment as provided by section 78-2.7;
- 18 (21) The department of health on licensed adult day care  
19 center operators, employees, new employees,  
20 subcontracted service providers and their employees,  
21 and adult volunteers as provided by section 321-15.2;



- 1       (22) The department of human services on purchase of  
2           service contracted and subcontracted service providers  
3           and their employees and volunteers, as provided by  
4           sections 346-2.5 and 346-97;
- 5       (23) The department of human services on foster grandparent  
6           program, senior companion program, and respite  
7           companion program participants as provided by section  
8           346-97;
- 9       (24) The department of human services on contracted and  
10          subcontracted service providers and their current and  
11          prospective employees that provide home and  
12          community-based services under section 1915(c) of the  
13          Social Security Act, title 42 United States Code  
14          section 1396n(c), or under any other applicable  
15          section or sections of the Social Security Act for the  
16          purposes of providing home and community-based  
17          services, as provided by section 346-97;
- 18       (25) The department of commerce and consumer affairs on  
19          proposed directors and executive officers of a bank,  
20          savings bank, savings and loan association, trust



1            company, and depository financial services loan  
2            company as provided by section 412:3-201;

3            (26) The department of commerce and consumer affairs on  
4            proposed directors and executive officers of a  
5            nondepository financial services loan company as  
6            provided by section 412:3-301;

7            (27) The department of commerce and consumer affairs on the  
8            original chartering applicants and proposed executive  
9            officers of a credit union as provided by section  
10           412:10-103;

11           (28) The department of commerce and consumer affairs on:  
12           (A) Each principal of every non-corporate applicant  
13           for a money transmitter license;

14           (B) Each person who upon approval of an application  
15           by a corporate applicant for a money transmitter  
16           license will be a principal of the licensee; and  
17           (C) Each person who upon approval of an application  
18           requesting approval of a proposed change in  
19           control of licensee will be a principal of the  
20           licensee,  
21           as provided by sections 489D-9 and 489D-15;



- 1           (29) The department of commerce and consumer affairs on  
2                    applicants for licensure and persons licensed under  
3                    title 24;
- 4           (30) The Hawaii health systems corporation on:
- 5                    (A) Employees;
- 6                    (B) Applicants seeking employment;
- 7                    (C) Current or prospective members of the corporation  
8                            board or regional system board; or
- 9                    (D) Current or prospective volunteers, providers, or  
10                            contractors,
- 11                            in any of the corporation's health facilities as  
12                            provided by section 323F-5.5;
- 13           (31) The department of commerce and consumer affairs on:
- 14                    (A) An applicant for a mortgage loan originator  
15                            license, or license renewal; and
- 16                    (B) Each control person, executive officer, director,  
17                            general partner, and managing member of an  
18                            applicant for a mortgage loan originator company  
19                            license or license renewal,
- 20                            as provided by chapter 454F;



- 1       (32) The state public charter school commission or public  
2           charter schools on employees, teacher trainees,  
3           prospective employees, and prospective teacher  
4           trainees in any public charter school for any position  
5           that places them in close proximity to children, as  
6           provided in section 302D-33;
- 7       (33) The counties on prospective employees who work with  
8           children, vulnerable adults, or senior citizens in  
9           community-based programs;
- 10       (34) The counties on prospective employees for fire  
11           department positions that involve contact with  
12           children or vulnerable adults;
- 13       (35) The counties on prospective employees for emergency  
14           medical services positions that involve contact with  
15           children or vulnerable adults;
- 16       (36) The counties on prospective employees for emergency  
17           management positions and community volunteers whose  
18           responsibilities involve planning and executing  
19           homeland security measures including viewing,  
20           handling, and engaging in law enforcement or



- 1           classified meetings and assisting vulnerable citizens  
2           during emergencies or crises;
- 3       (37) The State and counties on employees, prospective  
4           employees, volunteers, and contractors whose position  
5           responsibilities require unescorted access to secured  
6           areas and equipment related to a traffic management  
7           center;
- 8       (38) The State and counties on employees and prospective  
9           employees whose positions involve the handling or use  
10          of firearms for other than law enforcement purposes;
- 11       (39) The State and counties on current and prospective  
12          systems analysts and others involved in an agency's  
13          information technology operation whose position  
14          responsibilities provide them with access to  
15          proprietary, confidential, or sensitive information;
- 16       (40) The department of commerce and consumer affairs on:  
17           (A) Applicants for real estate appraiser licensure or  
18           certification as provided by chapter 466K;  
19           (B) Each person who owns more than ten per cent of an  
20           appraisal management company who is applying for



- 1 registration as an appraisal management company,  
2 as provided by section 466M-7; and
- 3 (C) Each of the controlling persons of an applicant  
4 for registration as an appraisal management  
5 company, as provided by section 466M-7;
- 6 (41) The department of health or its designee on:
- 7 (A) Individual applicants or individuals acting on  
8 behalf of applying entities for hemp processor  
9 permits as provided under section 328G-2; and
- 10 (B) All license applicants, licensees, employees,  
11 contractors, and prospective employees of medical  
12 cannabis dispensaries, and individuals permitted  
13 to enter and remain in medical cannabis  
14 dispensary facilities as provided under sections  
15 329D-15(a)(4) and 329D-16(a)(3);
- 16 (42) The department of commerce and consumer affairs on  
17 applicants for nurse licensure or license renewal,  
18 reactivation, or restoration as provided by sections  
19 457-7, 457-8, 457-8.5, and 457-9;
- 20 (43) The county police departments on applicants for  
21 permits to acquire firearms pursuant to section 134-2,



1 on individuals registering their firearms pursuant to  
2 section 134-3, and on applicants for new or renewed  
3 licenses to carry a pistol or revolver and ammunition  
4 pursuant to section 134-9;

5 (44) The department of commerce and consumer affairs on:

6 (A) Each of the controlling persons of the applicant  
7 for licensure as an escrow depository, and each  
8 of the officers, directors, and principals who  
9 will be in charge of the escrow depository's  
10 activities upon licensure; and

11 (B) Each of the controlling persons of an applicant  
12 for proposed change in control of an escrow  
13 depository licensee, and each of the officers,  
14 directors, and principals who will be in charge  
15 of the licensee's activities upon approval of the  
16 application,

17 as provided by chapter 449;

18 (45) The department of taxation on current or prospective  
19 employees or contractors who have access to federal  
20 tax information in order to comply with requirements



1 of federal law, regulation, or procedure, as provided  
2 by section 231-1.6;

3 (46) The department of labor and industrial relations on  
4 current or prospective employees or contractors who  
5 have access to federal tax information in order to  
6 comply with requirements of federal law, regulation,  
7 or procedure, as provided by section 383-110;

8 (47) The department of human services on current or  
9 prospective employees or contractors who have access  
10 to federal tax information in order to comply with  
11 requirements of federal law, regulation, or procedure,  
12 and on current or prospective employees, volunteers,  
13 contractors, or contractors' employees or volunteers,  
14 subcontractors, or subcontractors' employees or  
15 volunteers, whose position places or would place them  
16 in close proximity to minors, young adults, or  
17 vulnerable adults, as provided by section 346-2.5;

18 (48) The child support enforcement agency on current or  
19 prospective employees, or contractors who have access  
20 to federal tax information in order to comply with



1 federal law, regulation, or procedure, as provided by  
2 section 576D-11.5;

3 (49) The department of the attorney general on current or  
4 prospective employees or employees or agents of  
5 contractors who have access to federal tax information  
6 to comply with requirements of federal law,  
7 regulation, or procedure, as provided by section  
8 28-17;

9 (50) The department of commerce and consumer affairs on  
10 each control person, executive officer, director,  
11 general partner, and managing member of an installment  
12 loan licensee, or an applicant for an installment loan  
13 license, as provided in chapter 480J;

14 (51) The university of Hawaii on current and prospective  
15 employees and contractors whose duties include  
16 ensuring the security of campus facilities and  
17 persons; [~~and~~]

18 (52) The department of law enforcement on applicants and  
19 licensees pursuant to chapter ; and



1       ~~[(52)]~~ (53) Any other organization, entity, or the State,  
2               its branches, political subdivisions, or agencies as  
3               may be authorized by state law."

4               SECTION 5. This Act does not affect rights and duties that  
5 matured, penalties that were incurred, and proceedings that were  
6 begun before its effective date.

7               SECTION 6. Statutory material to be repealed is bracketed  
8 and stricken. New statutory material is underscored.

9               SECTION 7. This Act shall take effect on July 1, 2025;  
10 provided that the amendments made to section 846-2.7(b), Hawaii  
11 Revised Statutes, by section 4 of this Act shall not be repealed  
12 when that section is reenacted on July 1, 2027, pursuant to  
13 section 4 of Act 110, Session Laws of Hawaii 2024.



**Report Title:**

DLE; DOH; Gambling; Sports Wagering; Fantasy Sports; General Excise Tax; Problem Gambling Prevention and Treatment Special Fund

**Description:**

Allows for the regulation of sports wagering by the Department of Law Enforcement. Establishes licensing requirements for sports wagering operators and sports wagering suppliers. Establishes a general excise tax to be levied on sports wagering operator licenses. Establishes the Problem Gambling Prevention and Treatment Special Fund to be administered and expended by the Department of Health. Specifies that legal sports wagering and fantasy sports contests shall not be considered contests of chance or gambling. Authorizes DLE to perform criminal history record checks on applicants and licensees relating to sports wagering. (SD2)

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

