
A BILL FOR AN ACT

RELATING TO SPORTS WAGERING.

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

1 SECTION 1. 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 **REGULATION OF SPORTS WAGERING**

6 § -1 **Definitions.** As used in this chapter, unless the
7 context otherwise requires:

8 "Adjusted gross sports wagering receipts" means gross
9 sports wagering receipts less the total of all sums actually
10 paid out as winnings to patrons, including the monetary value of
11 any merchandise or thing of value awarded as a prize and subject
12 to federal income tax.

13 "Amateur sports event" means any sports or athletic event
14 that is not a professional sports or athletic event, collegiate
15 sports or athletic event, or youth sports event. "Amateur
16 sports event" includes domestic, international, and Olympic
17 sports or athletic events.



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 commerce and consumer
13 affairs.

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

15 (1) There are no fewer than two participants; provided
16 that all participants are natural persons and a
17 fantasy sports contest operator shall not be construed
18 to be a participant;

19 (2) Participants own, manage, or coach imaginary teams;



(3) All prizes and awards offered to winning participants are established and made known to participants in advance of the game or contest;

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

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

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

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

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



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

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

"Professional sports or athletic event" means an event at
which two or more contestants participate in a sports event or
athletic event and one or more participants receive
compensation. "Professional sports or athletic event" shall not
include events in which the majority of participants are under
eighteen years of age.

"Qualified gaming entity" means an entity that offers
sports wagering through computers, mobile applications, or
digital platforms in no fewer than three jurisdictions in the
United States pursuant to a state regulatory structure.

"Sports wagering" means the business of accepting wagers on
wagering events or portions of wagering events, the individual
performance statistics of individuals in wagering events, or any



1 combination thereof, via a sports wagering operator's approved
2 mobile application or digital platform. "Sports wagering"
3 includes but is not limited to single-game bets, teaser bets,
4 parlays, over-under, moneyline, pools, exchange wagering, in-
5 game wagering, in-play bets, proposition bets, and straight
6 bets. "Sports wagering" shall not include fantasy sports
7 contests.

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

14 "Sports wagering operator" means a sports wagering operator
15 licensee pursuant to section -5.

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

18 "Wagering event" means any professional sports or athletic
19 event, collegiate sports or athletic event, or amateur sports
20 event, including but not limited to an Olympic or international
21 sports or athletic event; a motor vehicle race; electronic



1 sports event, also known as e-sports; and any other event as
2 permitted by the department; provided that the majority of
3 participants in the event are not under eighteen years of age.

4 "Winnings" means the total of all sums actually paid out,
5 including the monetary value of any merchandise of value awarded
6 as a prize.

7 "Youth sports event" means an athletic event:

8 (1) Involving a majority of participants under eighteen
9 years of age; or

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

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

20 § -2 Authorization of sports wagering; license required;
21 rules; emergency rules. (a) Notwithstanding any law to the



1 contrary, sports wagering and ancillary activities shall be
2 lawful when conducted under this chapter and rules adopted under
3 this chapter.

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

8 (c) The department shall adopt rules pursuant to chapter
9 91 to effectuate the purposes of this chapter. The department
10 may adopt emergency rules pursuant to the requirements of
11 sections 91-3 and 91-4; provided that:

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

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

20 § -3 **Application; criminal history record check.** (a)

21 An application for a license or renewal of a license required



1 under this chapter shall be submitted on an application form as
2 prescribed by the department. An application submitted to the
3 department shall include the following:

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



1 (6) Any other information that the department may require
2 by rule.

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

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

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



1 (3) Any executive, employee, or agent of an applicant or
2 licensee who has ultimate decision-making authority
3 over the conduct of the applicant's or licensee's
4 sports wagering operations in the State.

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



1 (d) A person licensed under this chapter shall give the
2 department written notice within thirty days of any material
3 change to any information provided in the licensee's application
4 for a license or renewal, including any change in the identity
5 of persons considered to have control of the licensee under
6 subsection (b).

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

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



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



(6) An applicant or licensee has not met the requirements of this section or any other provision of this chapter.

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

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

(c) A sports wagering operator license granted by the department pursuant to this section shall grant a licensee the lawful authority to conduct sports wagering through a mobile



1 application or digital platform approved by the department and
2 any rules adopted under this chapter.

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

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

19 (f) An applicant for a sports wagering operator license
20 may submit with the application a request to the department to
21 commence sports wagering through a temporary license subject to



1 the universal start date in subsection (a); provided that this
2 request shall include the initial license fee of
3 \$ payable to the department. Upon receiving a request
4 for a temporary license, the department shall review the
5 request. If the department determines that the entity
6 requesting the temporary license is a qualified gaming entity,
7 meets the requirements established by rule for a temporary
8 license, has paid the initial license fee for a temporary
9 license, and has submitted an application for a sports wagering
10 operator license and the department is not aware of any reason
11 the applicant is ineligible for a license under this section,
12 the department shall, subject to the limitations and
13 requirements of subsection (a), issue a temporary sports
14 wagering operator license to the qualified gaming entity. A
15 temporary sports wagering operator license issued under this
16 subsection shall be valid for three years or until a final
17 determination on the sports wagering operator license
18 application is made, whichever is sooner. If after
19 investigation the department determines that the applicant is
20 eligible for a sports wagering operator license under this
21 chapter, the department shall issue the initial sports wagering



1 operator license, at which time the temporary license shall be
2 terminated. If after investigation the department determines
3 that the applicant is not eligible for a sports wagering
4 operator license under this chapter, the department shall revoke
5 the temporary license and shall not issue a sports wagering
6 operator license. Sports wagering conducted under the authority
7 of a temporary license shall comply with the sports wagering
8 operator's house rules adopted pursuant to section -7.

9 **§ -6 Sports wagering supplier license; issuance; fees;**
10 **term of license; temporary license.** (a) The department shall
11 issue a sports wagering supplier license upon finding that the
12 applicant meets all the requirements of this section,
13 section -3, and rules adopted under this chapter.

14 (b) An applicant for a sports wagering supplier license
15 shall demonstrate that the equipment, systems, or services that
16 the applicant plans to offer to a sports wagering operator
17 conform to standards established by the department by rule. The
18 department may accept approval by another jurisdiction that is
19 specifically determined by the department to have similar
20 standards for equipment, systems, or services as evidence the
21 applicant meets the standards established by the department.



1 (c) A sports wagering supplier license granted by the
2 department pursuant to this section shall grant a licensee
3 lawful authority to sell or lease sports wagering equipment,
4 systems, or services to sports wagering operators in the State
5 within the terms and conditions of the license and any rules
6 adopted under this chapter.

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

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



1 (f) An applicant for a sports wagering supplier license
2 may submit with the application a request for a temporary
3 license; provided that the request for a temporary license shall
4 include the initial license fee of \$. If the
5 department determines that the applicant is qualified under
6 subsection (b), meets the requirements established by rule for a
7 temporary license, and has paid the initial license fee for a
8 temporary license and the department is not aware of any reason
9 the applicant is ineligible for a license under this section,
10 the department shall issue a temporary sports wagering supplier
11 license. A temporary sports wagering supplier license issued
12 under this subsection shall be valid for three years or until a
13 final determination on the sports wagering supplier license
14 application is made, whichever is sooner. If after
15 investigation the department determines that the applicant is
16 eligible for a sports wagering supplier license under this
17 chapter, the department shall issue the initial sports wagering
18 supplier license, at which time the temporary license shall be
19 terminated. If after investigation the department determines
20 that the applicant is not eligible for a sports wagering
21 supplier license under this chapter, the department shall revoke



1 the temporary license and shall not issue a sports wagering
2 supplier license.

3 **§ -7 Sports wagering operator; house rules.** (a) A
4 sports wagering operator shall adopt comprehensive house rules
5 for game play governing sports wagering transactions with its
6 patrons. The rules shall specify the amounts to be paid on
7 winning wagers; the circumstances under which the sports
8 wagering operator will void a bet; treatment of errors, late
9 bets, and related contingencies; and the effect of schedule
10 changes. The department shall approve house rules before
11 implementation by a sports wagering operator.

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

15 **§ -8 Sports wagering operator; duties.** A sports
16 wagering operator shall:

17 (1) Employ a monitoring system using software to identify
18 irregularities in volume or odds swings that could
19 signal suspicious activity that requires further
20 investigation; provided that the suspicious activity
21 shall be promptly reported to and investigated by the



1 department; provided further that monitoring system
2 requirements and specifications shall be consistent
3 with industry standards;

4 (2) Promptly report to the department any facts or
5 circumstances related to the operation of a licensee
6 that constitute a violation of state or federal law
7 and immediately report any suspicious betting over a
8 threshold amount, to be set by the sports wagering
9 operator and approved by the department;

10 (3) Conduct all sports wagering activities and functions
11 in a manner that does not pose a threat to the public
12 health, safety, or welfare of the residents of the
13 State;

14 (4) Keep current in all payments and obligations to the
15 department;

16 (5) Prevent any person from tampering with or interfering
17 with any sports wagering;

18 (6) Ensure that sports wagering occurs using only an
19 approved mobile application or digital platform;



(7) Conspicuously display in all advertising for sports wagering the availability of the toll-free helpline "1-800-GAMBLER" or a successor phone number;

(8) At all times, maintain sufficient cash and other supplies to conduct sports wagering;

(9) Maintain daily records showing the gross sports wagering receipts and adjusted gross sports wagering receipts of the licensee; and

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

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

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



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

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

§ -10 Acceptance of wagers; sports wagering accounts; excluded persons. (a) A sports wagering operator shall accept wagers on wagering events only through an approved mobile application or digital platform or a patron's sports wagering account using an approved mobile application or digital platform. The branding for each approved mobile application or digital platform shall be determined by the sports wagering operator.

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

- (1) A credit or debit card;
- (2) Bonuses or promotions;
- (3) Electronic bank transfer;



1 (4) An online or mobile payment system that supports
2 online money transfers; and

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

4 (c) A person placing a wager shall be twenty-one years of
5 age or older. A person placing a wager shall be physically
6 located in the State unless the department has entered into a
7 sports wagering agreement pursuant to section -9 to accept
8 wagers from individuals located outside the State. No person
9 shall offer sports wagering at a physical location via kiosks,
10 computer terminals, or other means established for that purpose.

11 (d) A sports wagering operator may accept layoff wagers
12 placed by other sports wagering operators and may place layoff
13 wagers with other sports wagering operators as long as a sports
14 wagering operator that places a wager with another sports
15 wagering operator informs the sports wagering operator accepting
16 the wager that the wager is being placed by a sports wagering
17 operator and discloses the sports wagering operator's identity.

18 (e) The department shall establish a voluntary exclusion
19 program for any individual to voluntarily exclude themselves
20 from sports wagering. Sports wagering operators shall use
21 reasonable means to comply with the exclusion of individuals



1 participating in the voluntary exclusion program by the
2 department.

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

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

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

11 (3) How an individual in the voluntary exclusion program
12 may petition the department for removal from the
13 voluntary exclusion program;

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

18 (5) The means by which the department shall make available
19 to all sports wagering operators the names of the
20 individuals participating in the voluntary exclusion



1 program; provided that the names shall be made
2 available at least quarterly.

3 (g) The names of the individuals participating in the
4 voluntary exclusion program shall be treated as confidential by
5 each sports wagering operator. Sports wagering operators
6 conducting sports wagering in another state may share the
7 information provided under this section with its agents and
8 affiliates in other states for excluding individuals
9 participating in the voluntary exclusion program.

10 (h) No employee of a sports wagering operator shall place
11 a wager on any wagering event through an unapproved or approved
12 mobile application or digital platform of that employee's
13 employer.

14 **§ -11 Sports wagering revenues; tax.** (a) For the
15 privilege of holding a license to engage in sports wagering as a
16 sports wagering operator, the tax imposed by section 237-13(9)
17 shall be levied on the licensee. The accrual method of
18 accounting shall be used for purposes of calculating the amount
19 of the tax owed by the licensee. The department shall adopt
20 rules and develop any forms necessary to carry out enforcement
21 of this section. This tax shall be in lieu of all other taxes



1 imposed on the operation of sports wagering or on the proceeds
2 from the operation of sports wagering in this State.

3 (b) per cent of all taxes collected in this section
4 shall be deposited into the problem gambling prevention and
5 treatment special fund established under section -12.

6 **§ -12 Problem gambling prevention and treatment special**
7 **fund.** (a) There shall be established the problem gambling
8 prevention and treatment special fund into which shall be
9 deposited:

10 (1) Appropriations by the legislature to the special fund;
11 and

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

15 Any interest and moneys earned on the investments shall be
16 credited to the problem gambling prevention and treatment
17 special fund. Notwithstanding any other provision of law to the
18 contrary, any moneys remaining in the special fund at the end of
19 the biennium shall not revert to the credit of the general fund
20 of the State.



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

4 (1) Counseling and other support services for disordered
5 and problem gamers;

6 (2) Developing and implementing problem gaming treatment
7 and prevention programs; and

8 (3) Creating and disseminating responsible gaming
9 education and messages.

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

17 § -14 **Unlicensed sports wagering; penalties.** (a) It
18 shall be unlawful for any person to conduct sports wagering
19 without a valid license issued pursuant to this chapter.

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



1 (1) Does not have any prior conviction under this section
2 or under part III of chapter 712, shall be guilty of a
3 misdemeanor; provided that in addition to any other
4 penalties imposed, the person shall be subject to a
5 fine of no less than ;

6 (2) Has one prior conviction under this section or under
7 part III of chapter 712, shall be guilty of a class C
8 felony; provided that in addition to any other
9 penalties imposed, the person shall be subject to a
10 fine of no less than ; and

11 (3) Has two or more prior convictions under this section
12 or under part III of chapter 712, shall be guilty of a
13 class B felony; provided that in addition to any other
14 penalties imposed, the person shall be subject to a
15 fine of no less than .

16 § -15 **Exemption from gambling.** Sports wagering operated
17 by a sports wagering operator licensed under and in compliance
18 with this chapter shall not constitute a gambling offense under
19 part III of chapter 712."

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



1 **"§237-13 Imposition of tax.** There is hereby levied and
2 shall be assessed and collected annually privilege taxes against
3 persons on account of their business and other activities in the
4 State measured by the application of rates against values of
5 products, gross proceeds of sales, or gross income, whichever is
6 specified, as follows:

7 (1) Tax on manufacturers.

8 (A) Upon every person engaging or continuing within
9 the State in the business of manufacturing,
10 including compounding, canning, preserving,
11 packing, printing, publishing, milling,
12 processing, refining, or preparing for sale,
13 profit, or commercial use, either directly or
14 through the activity of others, in whole or in
15 part, any article or articles, substance or
16 substances, commodity or commodities, the amount
17 of the tax to be equal to the value of the
18 articles, substances, or commodities,
19 manufactured, compounded, canned, preserved,
20 packed, printed, milled, processed, refined, or
21 prepared for sale, as shown by the gross proceeds



1 derived from the sale thereof by the manufacturer
2 or person compounding, preparing, or printing
3 them, multiplied by one-half of one per cent~~[+]~~;
4 and

5 (B) The measure of the tax on manufacturers [~~is~~]
6 shall be the value of the entire product for
7 sale~~[+]~~;

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

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



1 one per cent of the gross proceeds. Upon every
2 person engaging or continuing within this State
3 in the business of a producer, the tax shall be
4 equal to one-half of one per cent of the gross
5 proceeds of sales of the business, or the value
6 of the products, for sale[-];

7 (B) Gross proceeds of sales of tangible property in
8 interstate and foreign commerce shall constitute
9 a part of the measure of the tax imposed on
10 persons in the business of selling tangible
11 personal property, to the extent, under the
12 conditions, and under the provisions of the
13 Constitution of the United States and the Acts of
14 the Congress of the United States which may be
15 now in force or may be hereafter adopted, and
16 whenever there occurs in the State an activity to
17 which, under the Constitution and Acts of
18 Congress, there may be attributed gross proceeds
19 of sales, the gross proceeds shall be so
20 attributed[-];



1 (C) No manufacturer or producer, engaged in such
2 business in the State and selling the
3 manufacturer's or producer's products for
4 delivery outside of the State (for example,
5 consigned to a mainland purchaser via common
6 carrier f.o.b. Honolulu), shall be required to
7 pay the tax imposed in this chapter for the
8 privilege of so selling the products, and the
9 value or gross proceeds of sales of the products
10 shall be included only in determining the measure
11 of the tax imposed upon the manufacturer or
12 producer[-];

13 (D) A manufacturer or producer, engaged in such
14 business in the State, shall pay the tax imposed
15 in this chapter for the privilege of selling its
16 products in the State, and the value or gross
17 proceeds of sales of the products, thus subjected
18 to tax, may be deducted insofar as duplicated as
19 to the same products by the measure of the tax
20 upon the manufacturer or producer for the
21 privilege of manufacturing or producing in the



1 State; provided that no producer of agricultural
2 products who sells the products to a purchaser
3 who will process the products outside the State
4 shall be required to pay the tax imposed in this
5 chapter for the privilege of producing or selling
6 those products~~[.]~~;

7 (E) A taxpayer selling to a federal cost-plus
8 contractor may make the election provided for by
9 paragraph (3) (C), and in that case the tax shall
10 be computed pursuant to the election,
11 notwithstanding this paragraph or paragraph (1)
12 to the contrary~~[.]~~; and

13 (F) The department, by rule, may require that a
14 seller take from the purchaser of tangible
15 personal property a certificate, in a form
16 prescribed by the department, certifying that the
17 sale is a sale at wholesale; provided that:

18 (i) Any purchaser who furnishes a certificate
19 shall be obligated to pay to the seller,
20 upon demand, the amount of the additional



1 tax that is imposed upon the seller whenever

2 the sale in fact is not at wholesale; and

3 (ii) The absence of a certificate in itself shall

4 give rise to the presumption that the sale

5 is not at wholesale unless the sales of the

6 business are exclusively at wholesale[-];

7 (3) Tax upon contractors.

8 (A) Upon every person engaging or continuing within

9 the State in the business of contracting, the tax

10 shall be equal to four per cent of the gross

11 income of the business[-];

12 (B) In computing the tax levied under this paragraph,

13 there shall be deducted from the gross income of

14 the taxpayer so much thereof as has been included

15 in the measure of the tax levied under

16 subparagraph (A), on another taxpayer who is a

17 contractor, as defined in section 237-6; provided

18 that any person claiming a deduction under this

19 paragraph shall be required to show in the

20 person's return the name and general excise



1 number of the person paying the tax on the amount
2 deducted by the person[~~-~~];

3 (C) In computing the tax levied under this paragraph
4 against any federal cost-plus contractor, there
5 shall be excluded from the gross income of the
6 contractor so much thereof as fulfills the
7 following requirements:

8 (i) The gross income exempted shall constitute
9 reimbursement of costs incurred for
10 materials, plant, or equipment purchased
11 from a taxpayer licensed under this chapter,
12 not exceeding the gross proceeds of sale of
13 the taxpayer on account of the transaction;
14 and

15 (ii) The taxpayer making the sale shall have
16 certified to the department that the
17 taxpayer is taxable with respect to the
18 gross proceeds of the sale, and that the
19 taxpayer elects to have the tax on gross
20 income computed the same as upon a sale to
21 the state government[~~-~~]; and



1 (D) A person who, as a business or as a part of a
2 business in which the person is engaged, erects,
3 constructs, or improves any building or
4 structure, of any kind or description, or makes,
5 constructs, or improves any road, street,
6 sidewalk, sewer, or water system, or other
7 improvements on land held by the person (whether
8 held as a leasehold, fee simple, or otherwise),
9 upon the sale or other disposition of the land or
10 improvements, even if the work was not done
11 pursuant to a contract, shall be liable to the
12 same tax as if engaged in the business of
13 contracting, unless the person shows that at the
14 time the person was engaged in making the
15 improvements the person intended, and for the
16 period of at least one year after completion of
17 the building, structure, or other improvements
18 the person continued to intend to hold and not
19 sell or otherwise dispose of the land or
20 improvements. The tax in respect of the
21 improvements shall be measured by the amount of



1 the proceeds of the sale or other disposition
2 that is attributable to the erection,
3 construction, or improvement of such building or
4 structure, or the making, constructing, or
5 improving of the road, street, sidewalk, sewer,
6 or water system, or other improvements. The
7 measure of tax in respect of the improvements
8 shall not exceed the amount [~~which~~] that would
9 have been taxable had the work been performed by
10 another, subject as in other cases to the
11 deductions allowed by subparagraph (B). Upon the
12 election of the taxpayer, this paragraph may be
13 applied notwithstanding that the improvements
14 were not made by the taxpayer, or were not made
15 as a business or as a part of a business, or were
16 made with the intention of holding the same.
17 However, this paragraph shall not apply in
18 respect of any proceeds that constitute or are in
19 the nature of rent, which shall be taxable under
20 paragraph (9); provided that insofar as the
21 business of renting or leasing real property



1 under a lease is taxed under section 237-16.5,

2 the tax shall be levied by section 237-16.5[-];

3 (4) Tax upon theaters, amusements, radio broadcasting
4 stations, etc.

5 (A) Upon every person engaging or continuing within
6 the State in the business of operating a theater,
7 opera house, moving picture show, vaudeville,
8 amusement park, dance hall, skating rink, radio
9 broadcasting station, or any other place at which
10 amusements are offered to the public, the tax
11 shall be equal to four per cent of the gross
12 income of the business, and in the case of a sale
13 of an amusement at wholesale under section
14 237-4(a)(13), the tax shall be one-half of one
15 per cent of the gross income[-]; and

16 (B) The department may require that the person
17 rendering an amusement at wholesale take from the
18 licensed seller a certificate, in a form
19 prescribed by the department, certifying that the
20 sale is a sale at wholesale; provided that:



1 (i) Any licensed seller who furnishes a
2 certificate shall be obligated to pay to the
3 person rendering the amusement, upon demand,
4 the amount of additional tax that is imposed
5 upon the seller whenever the sale is not at
6 wholesale; and

7 (ii) The absence of a certificate in itself shall
8 give rise to the presumption that the sale
9 is not at wholesale unless the person
10 rendering the sale is exclusively rendering
11 the amusement at wholesale~~[]~~;

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

21 (6) Tax on service business.



1 (A) Upon every person engaging or continuing within
2 the State in any service business or calling
3 including professional services not otherwise
4 specifically taxed under this chapter, there is
5 likewise hereby levied and shall be assessed and
6 collected a tax equal to four per cent of the
7 gross income of the business, and in the case of
8 a wholesaler under section 237-4(a)(10), the tax
9 shall be equal to one-half of one per cent of the
10 gross income of the business[-];

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

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



1 (ii) The absence of a certificate in itself shall
2 give rise to the presumption that the sale
3 is not at wholesale unless the person
4 rendering the sale is exclusively rendering
5 services at wholesale[-];

6 (C) Where any person is engaged in the business of
7 selling interstate or foreign common carrier
8 telecommunication services within and without the
9 State, other than as a home service provider, the
10 tax shall be imposed on that portion of gross
11 income received by a person from service [~~which~~]
12 that is originated or terminated in this State
13 and is charged to a telephone number, customer,
14 or account in this State notwithstanding any
15 other state law (except for the exemption under
16 section 237-23(a)(1)) to the contrary. If, under
17 the Constitution and laws of the United States,
18 the entire gross income as determined under this
19 paragraph of a business selling interstate or
20 foreign common carrier telecommunication services
21 cannot be included in the measure of the tax, the



1 gross income shall be apportioned as provided in
2 section 237-21; provided that the apportionment
3 factor and formula shall be the same for all
4 persons providing those services in the State~~[+]~~;
5 and

6 (D) Where any person is engaged in the business of a
7 home service provider, the tax shall be imposed
8 on the gross income received or derived from
9 providing interstate or foreign mobile
10 telecommunications services to a customer with a
11 place of primary use in this State when the
12 services originate in one state and terminate in
13 another state, territory, or foreign country;
14 provided that all charges for mobile
15 telecommunications services [~~which~~] that are
16 billed by or for the home service provider are
17 deemed to be provided by the home service
18 provider at the customer's place of primary use,
19 regardless of where the mobile telecommunications
20 originate, terminate, or pass through; provided
21 further that the income from charges specifically



1 derived from interstate or foreign mobile
2 telecommunications services, as determined by
3 books and records that are kept in the regular
4 course of business by the home service provider
5 in accordance with section 239-24, shall be
6 apportioned under any apportionment factor or
7 formula adopted under subparagraph (C). Gross
8 income shall not include:

9 (i) Gross receipts from mobile

10 telecommunications services provided to a
11 customer with a place of primary use outside
12 this State;

13 (ii) Gross receipts from mobile

14 telecommunications services that are subject
15 to the tax imposed by chapter 239;

16 (iii) Gross receipts from mobile

17 telecommunications services taxed under
18 section 237-13.8; and

19 (iv) Gross receipts of a home service provider

20 acting as a serving carrier providing mobile



1 telecommunications services to another home
2 service provider's customer[-];

3 For the purposes of this paragraph, "charges for
4 mobile telecommunications services", "customer",
5 "home service provider", "mobile
6 telecommunications services", "place of primary
7 use", and "serving carrier" have the same meaning
8 as in section 239-22.

9 (7) Tax on insurance producers. Upon every person engaged
10 as a licensed producer pursuant to chapter 431, there
11 is hereby levied and shall be assessed and collected a
12 tax equal to 0.15 per cent of the commissions due to
13 that activity[-];

14 (8) Tax on receipts of sugar benefit payments. Upon the
15 amounts received from the United States government by
16 any producer of sugar (or the producer's legal
17 representative or heirs), as defined under and by
18 virtue of the Sugar Act of 1948, as amended, or other
19 Acts of the Congress of the United States relating
20 thereto, there is hereby levied a tax of one-half of
21 one per cent of the gross amount received; provided



1 that the tax levied hereunder on any amount so
2 received and actually disbursed to another by a
3 producer in the form of a benefit payment shall be
4 paid by the person or persons to whom the amount is
5 actually disbursed, and the producer actually making a
6 benefit payment to another shall be entitled to claim
7 on the producer's return a deduction from the gross
8 amount taxable hereunder in the sum of the amount so
9 disbursed. The amounts taxed under this paragraph
10 shall not be taxable under any other paragraph,
11 subsection, or section of this chapter[-];

12 (9) Tax on licensed sports wagering. Upon every person
13 engaged in sports wagering as a licensed sports
14 wagering operator or sports wagering supplier in the
15 State pursuant to chapter , there is hereby levied
16 and shall be assessed and collected a tax equal
17 to per cent of the adjusted gross sports wagering
18 receipts. For purposes of this paragraph, "adjusted
19 gross sports wagering receipts" has the same meaning
20 as in section -1; and



1 ~~[(+9)]~~ (10) Tax on other business. Upon every person
2 engaging or continuing within the State in any
3 business, trade, activity, occupation, or calling not
4 included in the preceding paragraphs or any other
5 provisions of this chapter, there is likewise hereby
6 levied and shall be assessed and collected, a tax
7 equal to four per cent of the gross income thereof.
8 In addition, the rate prescribed by this paragraph
9 shall apply to a business taxable under one or more of
10 the preceding paragraphs or other provisions of this
11 chapter, as to any gross income thereof not taxed
12 thereunder as gross income or gross proceeds of sales
13 or by taxing an equivalent value of products, unless
14 specifically exempted."

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

18 ""Contest of chance" means any contest, game, gaming
19 scheme, or gaming device in which the outcome depends in a
20 material degree upon an element of chance, notwithstanding that
21 skill of the contestants may also be a factor therein. "Contest



1 of chance" does not include sports wagering under chapter or
2 fantasy sports contests as defined in section -1.

3 "Gambling" [~~A person engages in gambling if he stakes or~~
4 ~~risks~~] means staking or risking something of value upon the
5 outcome of a contest of chance or a future contingent event not
6 under [~~his~~] the person's control or influence, upon an agreement
7 or understanding that [~~he~~] the person or someone else will
8 receive something of value in the event of a certain outcome.

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

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

14 (2) Agreements to compensate for loss caused by the
15 happening of chance, including but not limited to
16 contracts of indemnity or guaranty and life, health,
17 or accident insurance[~~+~~];

18 (3) Sports wagering authorized under chapter and
19 placing wagers on wagering events or portions of
20 wagering events, the individual performance statistics
21 of individuals in wagering events, or any combination



1 thereof, by any system or method of wagering under
2 chapter ; and

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

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

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

7 (1) The department of health or its designee on operators
8 of adult foster homes for individuals with
9 developmental disabilities or developmental
10 disabilities domiciliary homes and their employees, as
11 provided by section 321-15.2;

12 (2) The department of health or its designee on
13 prospective employees, persons seeking to serve as
14 providers, or subcontractors in positions that place
15 them in direct contact with clients when providing
16 non-witnessed direct mental health or health care
17 services as provided by section 321-171.5;

18 (3) The department of health or its designee on all
19 applicants for licensure or certification for,
20 operators for, prospective employees, adult



1 volunteers, and all adults, except adults in care, at
2 healthcare facilities as defined in section 321-15.2;

3 (4) The department of education on employees, prospective
4 employees, and teacher trainees in any public school
5 in positions that necessitate close proximity to
6 children as provided by section 302A-601.5;

7 (5) The counties on employees and prospective employees
8 who may be in positions that place them in close
9 proximity to children in recreation or child care
10 programs and services;

11 (6) The county liquor commissions on applicants for liquor
12 licenses as provided by section 281-53.5;

13 (7) The county liquor commissions on employees and
14 prospective employees involved in liquor
15 administration, law enforcement, and liquor control
16 investigations;

17 (8) The department of human services on operators and
18 employees of child caring institutions, child placing
19 organizations, and resource family homes as provided
20 by section 346-17;



1 (9) The department of human services on prospective
2 adoptive parents as established under section 346-
3 19.7;

4 (10) The department of human services or its designee on
5 applicants to operate child care facilities, household
6 members of the applicant, prospective employees of the
7 applicant, and new employees and household members of
8 the provider after registration or licensure as
9 provided by section 346-154, and persons subject to
10 section 346-152.5;

11 (11) The department of human services on persons exempt
12 pursuant to section 346-152 to be eligible to provide
13 child care and receive child care subsidies as
14 provided by section 346-152.5;

15 (12) The department of health on operators and employees of
16 home and community-based case management agencies and
17 operators and other adults, except for adults in care,
18 residing in community care foster family homes as
19 provided by section 321-15.2;



1 (13) The department of human services on staff members of
2 the Hawaii youth correctional facility as provided by
3 section 352-5.5;

4 (14) The department of human services on employees,
5 prospective employees, and volunteers of contracted
6 providers and subcontractors in positions that place
7 them in close proximity to youth when providing
8 services on behalf of the office or the Hawaii youth
9 correctional facility as provided by section 352D-4.3;

10 (15) The judiciary on employees and applicants at detention
11 and shelter facilities as provided by section 571-34;

12 (16) The department of corrections and rehabilitation on
13 employees and prospective employees, volunteers,
14 contract service providers, and subcontract service
15 providers who are directly involved with the treatment
16 and care of, or directly involved in providing
17 correctional programs and services to, persons
18 committed to a correctional facility, or placed in
19 close proximity to persons committed when providing
20 services on behalf of the department or the
21 correctional facility, as provided by section 353-1.5



1 and the department of law enforcement on employees and
2 prospective employees whose duties involve or may
3 involve the exercise of police powers including the
4 power of arrest as provided by section 353C-5;

5 (17) The board of private detectives and guards on
6 applicants for private detective or private guard
7 licensure as provided by section 463-9;

8 (18) Private schools and designated organizations on
9 employees and prospective employees who may be in
10 positions that necessitate close proximity to
11 children; provided that private schools and designated
12 organizations receive only indications of the states
13 from which the national criminal history record
14 information was provided pursuant to section 302C-1;

15 (19) The public library system on employees and prospective
16 employees whose positions place them in close
17 proximity to children as provided by section 302A-
18 601.5;

19 (20) The State or any of its branches, political
20 subdivisions, or agencies on applicants and employees
21 holding a position that has the same type of contact



1 with children, vulnerable adults, or persons committed
2 to a correctional facility as other public employees
3 who hold positions that are authorized by law to
4 require criminal history record checks as a condition
5 of employment as provided by section 78-2.7;

6 (21) The department of health on licensed adult day care
7 center operators, employees, new employees,
8 subcontracted service providers and their employees,
9 and adult volunteers as provided by section 321-15.2;

10 (22) The department of human services on purchase of
11 service contracted and subcontracted service providers
12 and their employees and volunteers, as provided by
13 sections 346-2.5 and 346-97;

14 (23) The department of human services on foster grandparent
15 program, senior companion program, and respite
16 companion program participants as provided by section
17 346-97;

18 (24) The department of human services on contracted and
19 subcontracted service providers and their current and
20 prospective employees that provide home and community-
21 based services under section 1915(c) of the Social



1 Security Act, title 42 United States Code section
2 1396n(c), or under any other applicable section or
3 sections of the Social Security Act for the purposes
4 of providing home and community-based services, as
5 provided by section 346-97;

6 (25) The department of commerce and consumer affairs on
7 proposed directors and executive officers of a bank,
8 savings bank, savings and loan association, trust
9 company, and depository financial services loan
10 company as provided by section 412:3-201;

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

15 (27) The department of commerce and consumer affairs on the
16 original chartering applicants and proposed executive
17 officers of a credit union as provided by section
18 412:10-103;

19 (28) The department of commerce and consumer affairs on:

20 (A) Each principal of every non-corporate applicant
21 for a money transmitter license;



1 (B) Each person who upon approval of an application
2 by a corporate applicant for a money transmitter
3 license will be a principal of the licensee; and

4 (C) Each person who upon approval of an application
5 requesting approval of a proposed change in
6 control of licensee will be a principal of the
7 licensee,

8 as provided by sections 489D-9 and 489D-15;

9 (29) The department of commerce and consumer affairs on
10 applicants for licensure and persons licensed under
11 title 24;

12 (30) The Hawaii health systems corporation on:

13 (A) Employees;

14 (B) Applicants seeking employment;

15 (C) Current or prospective members of the corporation
16 board or regional system board; or

17 (D) Current or prospective volunteers, providers, or
18 contractors,

19 in any of the corporation's health facilities as
20 provided by section 323F-5.5;

21 (31) The department of commerce and consumer affairs on:



1 (A) An applicant for a mortgage loan originator
2 license, or license renewal; and

3 (B) Each control person, executive officer, director,
4 general partner, and managing member of an
5 applicant for a mortgage loan originator company
6 license or license renewal,

7 as provided by chapter 454F;

8 (32) The state public charter school commission or public
9 charter schools on employees, teacher trainees,
10 prospective employees, and prospective teacher
11 trainees in any public charter school for any position
12 that places them in close proximity to children, as
13 provided in section 302D-33;

14 (33) The counties on prospective employees who work with
15 children, vulnerable adults, or senior citizens in
16 community-based programs;

17 (34) The counties on prospective employees for fire
18 department positions that involve contact with
19 children or vulnerable adults;



1 (35) The counties on prospective employees for emergency
2 medical services positions that involve contact with
3 children or vulnerable adults;

4 (36) The counties on prospective employees for emergency
5 management positions and community volunteers whose
6 responsibilities involve planning and executing
7 homeland security measures including viewing,
8 handling, and engaging in law enforcement or
9 classified meetings and assisting vulnerable citizens
10 during emergencies or crises;

11 (37) The State and counties on employees, prospective
12 employees, volunteers, and contractors whose position
13 responsibilities require unescorted access to secured
14 areas and equipment related to a traffic management
15 center;

16 (38) The State and counties on employees and prospective
17 employees whose positions involve the handling or use
18 of firearms for other than law enforcement purposes;

19 (39) The State and counties on current and prospective
20 systems analysts and others involved in an agency's
21 information technology operation whose position



responsibilities provide them with access to
proprietary, confidential, or sensitive information;

(40) The department of commerce and consumer affairs on:

(A) Applicants for real estate appraiser licensure or
certification as provided by chapter 466K;

(B) Each person who owns more than ten per cent of an
appraisal management company who is applying for
registration as an appraisal management company,
as provided by section 466M-7; and

(C) Each of the controlling persons of an applicant
for registration as an appraisal management
company, as provided by section 466M-7;

(41) The department of health or its designee on:

(A) Individual applicants or individuals acting on
behalf of applying entities for hemp processor
permits as provided under section 328G-2; and

(B) All license applicants, licensees, employees,
contractors, and prospective employees of medical
cannabis dispensaries, and individuals permitted
to enter and remain in medical cannabis



1 dispensary facilities as provided under sections

2 329D-15(a)(4) and 329D-16(a)(3);

3 (42) The department of commerce and consumer affairs on
4 applicants for nurse licensure or license renewal,
5 reactivation, or restoration as provided by sections
6 457-7, 457-8, 457-8.5, and 457-9;

7 (43) The county police departments on applicants for
8 permits to acquire firearms pursuant to section 134-2,
9 on individuals registering their firearms pursuant to
10 section 134-3, and on applicants for new or renewed
11 licenses to carry a pistol or revolver and ammunition
12 pursuant to section 134-9;

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

14 (A) Each of the controlling persons of the applicant
15 for licensure as an escrow depository, and each
16 of the officers, directors, and principals who
17 will be in charge of the escrow depository's
18 activities upon licensure; and

19 (B) Each of the controlling persons of an applicant
20 for proposed change in control of an escrow
21 depository licensee, and each of the officers,



1 directors, and principals who will be in charge
2 of the licensee's activities upon approval of the
3 application,

4 as provided by chapter 449;

5 (45) The department of taxation on current or prospective
6 employees or contractors who have access to federal
7 tax information in order to comply with requirements
8 of federal law, regulation, or procedure, as provided
9 by section 231-1.6;

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

15 (47) The department of human services on current or
16 prospective employees or contractors who have access
17 to federal tax information in order to comply with
18 requirements of federal law, regulation, or procedure,
19 and on current or prospective employees, volunteers,
20 contractors, or contractors' employees or volunteers,
21 subcontractors, or subcontractors' employees or



1 volunteers, whose position places or would place them
2 in close proximity to minors, young adults, or
3 vulnerable adults, as provided by section 346-2.5;

4 (48) The child support enforcement agency on current or
5 prospective employees, or contractors who have access
6 to federal tax information in order to comply with
7 federal law, regulation, or procedure, as provided by
8 section 576D-11.5;

9 (49) The department of the attorney general on current or
10 prospective employees or employees or agents of
11 contractors who have access to federal tax information
12 to comply with requirements of federal law,
13 regulation, or procedure, as provided by section 28-
14 17;

15 (50) The department of commerce and consumer affairs on
16 each control person, executive officer, director,
17 general partner, and managing member of an installment
18 loan licensee, or an applicant for an installment loan
19 license, as provided in chapter 480J;

20 (51) The university of Hawaii on current and prospective
21 employees and contractors whose duties include



1 ensuring the security of campus facilities and
2 persons; ~~[and]~~

3 (52) The department of commerce and consumer affairs on
4 applicants and licensees pursuant to chapter ; and

5 ~~[(52)]~~ (53) Any other organization, entity, or the State,
6 its branches, political subdivisions, or agencies as
7 may be authorized by state law."

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

11 SECTION 6. Statutory material to be repealed is bracketed
12 and stricken. New statutory material is underscored.

13 SECTION 7. This Act shall take effect on July 1, 3000;
14 provided that the amendments made to section 846-2.7(b), Hawaii
15 Revised Statutes, by section 4 of this Act shall not be repealed
16 when that section is reenacted on July 1, 2027, pursuant to
17 section 4 of Act 110, Session Laws of Hawaii 2024.



Report Title:

Gambling; Sports Wagering; Fantasy Sports; DCCA

Description:

Allows for the regulation of sports wagering by the Department of Commerce and Consumer Affairs. Establishes licensing requirements for sports wagering operators and sports wagering suppliers. Specifies that legal sports wagering and fantasy sports contests shall not be considered contests of chance or gambling. Effective 07/01/3000. (HD3)

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

