

JAN 28 2026

A BILL FOR AN ACT

RELATING TO CASINO GAMING.

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 **CASINO GAMING**

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

16 § -2 **Definitions.** As used in this chapter:



1 "Affiliate" means a person who, directly or indirectly,
2 through one or more intermediaries:

3 (1) Controls, is controlled by, or is under common control
4 with;

5 (2) Is in a partnership or joint venture relationship
6 with; or

7 (3) Is a co-shareholder of a corporation, a co-member of a
8 limited liability company, or a co-partner in a
9 limited liability partnership with;

10 a person who holds or applies for a casino license under this
11 chapter.

12 "Agent" means any person who is employed by any agency of
13 the State, other than the commission, who is assigned to perform
14 full-time services on behalf of or for the benefit of the
15 commission regardless of the title or position held by that
16 person.

17 "Applicant" means any person who applies for a license
18 under this chapter.

19 "Casino facility" means a freestanding, land-based
20 structure in which casino gaming permitted under this chapter
21 may be conducted that may include bars, restaurants, showrooms,



1 theaters, or other facilities, but does not include any
2 structure used for hotel or other transient accommodation
3 lodging purposes.

4 "Casino gaming", "limited casino gaming", "game", or
5 "gaming", as the context may require, means the operation of
6 games conducted pursuant to this chapter in a licensed casino
7 facility including but not limited to the games commonly known
8 as "baccarat", "twenty-one", "black jack", "poker", "craps",
9 "slot machine", "video gaming of chance", "roulette wheel",
10 "Klondike table", "punch-board", "faro layout", "keno layout",
11 "numbers ticket", "push card", "jar ticket", "pull tab", or
12 their common variants, or any other game of chance that is
13 authorized by the commission as a wagering device.

14 "Casino license" means a license to operate and maintain a
15 casino facility for casino gaming permitted under this chapter.

16 "Chairperson" means the chairperson of the Hawaii gaming
17 control commission.

18 "Commission" means the Hawaii gaming control commission.

19 "Conflict of interest" means a situation in which the
20 private interest of a member, employee, or agent of the
21 commission may influence the judgment of the member, employee,



1 or agent in the performance of the member's, employee's, or
2 agent's public duty under this chapter. A conflict of interest
3 includes but is not limited to the following:

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

8 (2) Acceptance of any form of compensation other than from
9 the commission for any services rendered as part of
10 the official duties of the member, employee, or agent
11 for the commission; or

12 (3) Participation in any business being transacted with or
13 before the commission in which the member, employee,
14 or agent of the commission or the member's,
15 employee's, or agent's parent, spouse, or child has a
16 financial interest.

17 "Department" means the department of commerce and consumer
18 affairs.

19 "Ex parte communication" means any communication, direct or
20 indirect, regarding a licensing application, disciplinary
21 action, or a contested case under this chapter other than



1 communication that takes place during a meeting or hearing
2 conducted under this chapter or in a manner otherwise authorized
3 by this chapter.

4 "Executive director" means the executive director of the
5 commission.

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

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

19 (2) The individual is employed by or is an independent
20 contractor for a party to the matter under
21 consideration or consummated by the commission.



"Gross receipts":

(1) Means the total of:

(A) Cash received or retained as winnings by a licensee;

(B) Cash received in payment for credit extended by a licensee to a patron for purposes of gaming; and

(C) Compensation received for conducting any game in which a licensee is not party to a wager; and

(2) Does not include:

(A) Counterfeit money or tokens;

(B) Coins of other countries that are received in gaming devices;

(C) Cash taken in fraudulent acts perpetrated against a licensee for which the licensee is not reimbursed;

(D) Cash received as entry fees for contests or tournaments in which patrons compete for prizes;

(E) Promotional play; and

(F) The dollar amount of non-cashable vouchers, coupons, and electronic promotions redeemed by wagerers in the casino up to and including an



1 amount not to exceed twenty per cent of the
2 casino licensee's gross receipts.

3 "Individual" means a natural person.

4 "Institutional investor" means:

- 5 (1) Any retirement fund administered by a public agency
6 for the exclusive benefit of federal, state, or county
7 public employees;
- 8 (2) An employee benefit plan, or pension fund that is
9 subject to the Employee Retirement Income Security Act
10 of 1974, as amended;
- 11 (3) An investment company registered under the Investment
12 Company Act of 1940 (54 Stat. 789, 15 U.S.C. sections
13 80a-1 to 80a-3 and 80a-4 to 80a-64);
- 14 (4) A collective investment trust organized by a bank
15 under title 12 Code of Federal Regulations section
16 9.18 of the rules of the United States Comptroller of
17 the Currency;
- 18 (5) A closed end investment trust;
- 19 (6) A chartered or licensed life insurance company or
20 property and casualty insurance company;
- 21 (7) A chartered or licensed financial institution;



(8) An investment advisor registered under the Investment Advisers Act of 1940, (54 Stat. 847, 15 U.S.C. sections 80b-1 to 80b-21 as amended); and

(9) Any other person as the commission may determine for reasons consistent with this chapter.

"Investigative hearing" means any hearing conducted by the commission or its authorized representative to investigate and gather information or evidence regarding pending license applicants, qualifiers, licensees, or alleged or apparent violations of this chapter or rules adopted by the commission.

An investigative hearing shall include any matter related to an apparent deficiency, except for informal conferences requested under section -11.

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

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



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

4 "Qualifier" means an affiliate, affiliated company,
5 officer, director, or managerial employee of an applicant, or a
6 person who holds more than a five per cent direct or indirect
7 interest in an applicant. For the purposes of this definition,
8 "affiliate" and "affiliated company" do not include a
9 partnership, a joint venture relationship, a co-shareholder of a
10 corporation, a co-member of a limited liability company, or a
11 co-partner in a limited liability partnership that has a five
12 per cent or less direct interest in the applicant and is not
13 involved in the casino facility as defined in rules adopted by
14 the commission.

15 "Slot machine" means any mechanical, electrical, or other
16 device, contrivance, or machine that is authorized by the
17 commission as a wagering device under this chapter which, upon
18 insertion of a coin, currency, token, or similar object, or upon
19 payment of any consideration, is available for play or
20 operation, and that by reason of the play or operation of the
21 device, contrivance, or machine, may deliver or entitle the



1 person playing or operating the device, contrivance, or machine
2 to receive cash, premiums, merchandise, tokens, or anything of
3 value, whether the payoff is made automatically from the device,
4 contrivance, or machine or in any other manner. "Slot machine"
5 includes a device, contrivance, or machine that:

- 6 (1) Utilizes spinning reels or video displays, or both;
- 7 (2) Dispenses or does not dispense coins, tickets, or
8 tokens to winning patrons;
- 9 (3) Uses an electronic credit system for receiving wagers
10 and making payouts; and
- 11 (4) Simulates a table game.

12 "Slot machine" does not include table games.

13 "Supplier" means a person that the commission has
14 identified under rules adopted by the commission as requiring a
15 license to provide casino licensees with goods or services
16 regarding the realty, construction, maintenance, or business of
17 a proposed or existing casino facility on a regular or
18 continuing basis, including security businesses, manufacturers,
19 distributors, persons who service gaming devices or equipment,
20 garbage haulers, maintenance companies, food purveyors, and
21 construction companies.



1 "Supplier's license" means a license that authorizes a
2 supplier to furnish any equipment, devices, supplies, or
3 services to a licensed casino facility permitted under this
4 chapter.

5 "Table game" means a live gaming apparatus, including an
6 electronic or stadium-seating game operated with a live dealer,
7 authorized by the commission as a wagering device under this
8 chapter, upon which casino gaming is conducted or that
9 determines the outcome that is the object of a wager; provided
10 that "table game" does not include slot machines or video gaming
11 of chance.

12 "Vendor" means a person who is not licensed under this
13 chapter who supplies any goods or services to the casino
14 licensee or a supplier licensee.

15 "Wagerer" means a person who plays a gambling game
16 authorized under this chapter.

17 § -3 **Hawaii gaming control commission; establishment;**
18 **membership; executive director; employees.** (a) There is
19 established the Hawaii gaming control commission, which shall be
20 a body corporate and a public instrumentality of the State, for
21 the purpose of implementing this chapter. The commission shall



1 be placed within the department of commerce and consumer affairs
2 for administrative purposes. The commission shall consist of
3 five members to be appointed by the governor with the advice and
4 consent of the senate under section 26-34. Of the five members,
5 one shall be appointed from a list of nominees submitted by the
6 president of the senate and one shall be appointed from a list
7 of nominees submitted by the speaker of the house of
8 representatives. Appointments of initial commission members
9 shall be made within ten days of the effective date of this Act.

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

13 (1) Is an elected state official;

14 (2) Is licensed by the commission pursuant to this
15 chapter, or is an official of, has a financial
16 interest in, or has a financial relationship with, any
17 gaming operation subject to the jurisdiction of this
18 commission pursuant to this chapter;

19 (3) Is related to any person within the second degree of
20 consanguinity or affinity who is licensed by the
21 commission pursuant to this chapter; or



1 (4) Has been under indictment, convicted, pled guilty or
2 nolo contendere, or forfeited bail for a felony or a
3 misdemeanor involving gambling or fraud under the laws
4 of this State, any other state, or the United States
5 within the ten years before appointment, or a local
6 ordinance in a state involving gambling or fraud that
7 substantially corresponds to a misdemeanor in that
8 state within the ten years before appointment.

9 (c) The term of office of a commission member shall be
10 five years. Vacancies in the commission shall be filled for the
11 unexpired term in like manner as the original appointments;
12 provided that the governor shall have thirty days following the
13 occurrence of a vacancy to appoint a successor member to the
14 commission.

15 (d) After due notice and public hearing, the governor may
16 remove or suspend for cause any member of the commission.

17 (e) Members of the commission shall:

18 (1) Be a resident of the State;

19 (2) Serve part-time;

20 (3) Be paid compensation of \$300 for each day in the
21 performance of official duties; and



1 (4) Be reimbursed for expenses, including travel expenses,
2 incurred in the performance of official duties.

3 (f) Officers of the commission, including the chairperson,
4 shall be selected by the members. The commission, subject to
5 chapter 92, shall hold at least one meeting in each quarter of
6 the State's fiscal year. The commission shall hold its initial
7 meeting within twenty days of the effective date of this Act.
8 Special meetings may be called by the chairperson or any three
9 members upon seventy-two hours written notice to each member.
10 Three members shall constitute a quorum, and a majority vote of
11 the five members present shall be required for any final
12 determination by the commission. The commission shall maintain
13 a complete and accurate record of all its meetings.

14 (g) Before assuming the duties of office, each member of
15 the commission shall take an oath that the member shall
16 faithfully execute the duties of office according to the laws of
17 the State and shall file and maintain with the director a bond
18 in the sum of \$25,000 with good and sufficient sureties. The
19 cost of any bond for any member of the commission under this
20 section shall be considered a part of the necessary expenses of
21 the commission.



1 (h) The commission shall appoint a person to serve as the
2 executive director of the commission and who shall be subject to
3 the commission's supervision. Within ten days of the
4 commission's initial meeting, the commission shall appoint an
5 interim executive director who shall be exempt from paragraphs
6 (3) and (4), and therefore may be a current public employee or
7 regulatory official from a similar body in another state who
8 temporarily undertakes the role of interim executive director.
9 The executive director shall:

10 (1) Hold office at the pleasure of the commission;

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

12 (3) Devote full-time to the duties of the office;

13 (4) Not hold any other office or employment;

14 (5) Perform any and all duties that the commission
15 assigns; and

16 (6) Receive an annual salary at an amount set by the
17 commission, and shall be reimbursed for expenses
18 actually and necessarily incurred in the performance
19 of the executive director's duties.

20 (i) Except as otherwise provided by law, the executive
21 director may:



1 (1) Hire assistants, other officers, and employees, who
2 shall be exempt from chapters 76 and 89 and who shall
3 serve at the pleasure of the executive director; and

4 (2) Appoint committees and consultants necessary for the
5 efficient operation of casino gaming; provided that no
6 person shall be hired or appointed under this
7 subsection who:

8 (A) Is an elected state official;

9 (B) Is licensed by the commission pursuant to this
10 chapter or is an official of, has a financial
11 interest in, or has a financial relationship
12 with, any gaming operation subject to the
13 jurisdiction of this commission pursuant to this
14 chapter;

15 (C) Is related to any person within the second degree
16 of consanguinity or affinity who is licensed by
17 the commission pursuant to this chapter; or

18 (D) Has been under indictment, convicted, pled guilty
19 or nolo contendere, or forfeited bail for a
20 felony or misdemeanor concerning gambling or
21 fraud under the laws of this State, any other



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1 state, or the United States within the last ten
2 years, or a local ordinance in any state
3 involving gambling or fraud that substantially
4 corresponds to a misdemeanor in that state within
5 the ten years before employment.

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

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

15 (l) No person shall be employed by the commission if:

16 (1) During the three years immediately preceding
17 appointment or employment, the person held any direct
18 or indirect interest in, or was employed by:

19 (A) A casino licensee under this chapter or in
20 another jurisdiction; or



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1 (B) A potential casino licensee who had an
2 application to operate a casino facility pending
3 before the commission or any other jurisdiction;
4 except that the person seeking employment may be
5 employed by the commission if the person's interest in
6 the casino licensee would not, in the opinion of the
7 commission, interfere with the objective discharge of
8 the person's employment obligations. A person shall
9 not be employed by the commission if the person's
10 interest in the casino licensee constitutes a
11 controlling interest in that casino licensee; or

12 (2) The person or the person's spouse, parent, child,
13 child's spouse, or sibling, is a member of the
14 commission, or a director of, or a person financially
15 interested in, any person licensed as the casino
16 licensee or a casino supplier, or any person who has
17 an application for a casino or occupational license
18 pending before the commission.

19 (m) Each member of the commission, the executive director,
20 and each key employee, as determined by the commission, shall
21 file with the governor a financial disclosure statement:



(1) Listing all assets, liabilities, and property and business interests of the member, executive director, key employee, and any of their spouses; and

(2) Affirming that the member, executive director, and key employee are in compliance with this chapter.

The financial disclosure statement shall be made under oath and filed at the time of employment and annually thereafter.

(n) Each employee of the commission, except the executive director or a key employee, shall file with the commission at the time of employment a financial disclosure statement listing all assets, liabilities, property and business interests, and sources of income of the employee and the employee's spouse.

(o) A member of the commission, executive director, or key employee shall not hold direct or indirect interest in, be employed by, or enter into a contract for service with, any applicant or person licensed by the commission for a period of five years after the date of termination of the person's membership on or employment with the commission.

(p) An employee of the commission shall not acquire any direct or indirect interest in, be employed by, or enter into a contract for services with any applicant or person licensed by



1 the commission for a period of three years after the date of
2 termination of the person's employment with the commission.

3 (q) A commission member or a person employed by the
4 commission shall not represent a person or party other than the
5 State before or against the commission for a period of three
6 years after the date of termination of the member's term of
7 office or the employee's period of employment with the
8 commission.

9 (r) A business entity in which a former commission member
10 or employee or agent has an interest, or any partner, officer,
11 or employee of the business entity, shall not make any
12 appearance or representation before the commission that is
13 prohibited to that former member, employee, or agent. As used
14 in this subsection, "business entity" means a corporation,
15 limited liability company, partnership, limited liability
16 partnership association, trust, or other form of legal entity.

17 § -4 **Recordkeeping; other staff.** (a) The executive
18 director shall maintain records of all proceedings of the
19 commission and shall preserve all records, books, documents, and
20 other papers belonging to the commission or entrusted to its
21 care relating to casino gaming.



1 (b) In addition to persons hired under section -3(i),
2 the commission may employ any personnel that may be necessary to
3 carry out its duties related to casino gaming.

4 § -5 **Hawaii gaming control commission; powers.** (a) The
5 commission shall have all powers necessary to fully and
6 effectively supervise all casino gaming operations, including
7 the power to:

8 (1) Administer, regulate, and enforce the system of casino
9 gaming established by this chapter. The commission's
10 jurisdiction shall extend to every person,
11 association, corporation, partnership, trust, and any
12 other entity with a financial interest in or holding a
13 license under this chapter, or required under this
14 chapter to hold a license in casino gaming operations
15 in the city and county of Honolulu;

16 (2) Issue a twenty-year casino license to operate a casino
17 facility pursuant to this chapter;

18 (3) Determine the types and numbers of occupational and
19 supplier's licenses to be permitted under this
20 chapter;



(4) Adopt standards for the licensing of all persons under this chapter subject to the qualifications and standards set forth herein, to issue licenses, and to establish and collect fees for these licenses;

(5) Provide for the collection of all taxes imposed pursuant to this chapter, and to collect, receive, expend, and account for all revenues derived from casino gaming within the city and county of Honolulu;

(6) Enter at any time without a warrant and without notice to a licensee, the premises, offices, casino facility, or other places of business of the casino licensee or a casino supplier licensee, where evidence of the compliance or noncompliance with this chapter or rules is likely to be found. Entry is authorized to:

(A) Inspect and examine all premises wherein casino gaming or the business of gaming or the business of a supplier is conducted, or where any records of the activities are prepared;

(B) Inspect, examine, audit, impound, seize, or assume physical control of, or summarily remove from the premises all books, ledgers, documents,



1 writings, photocopies of correspondence records,
2 videotapes, including electronically or digitally
3 stored records, money receptacles, other
4 containers and their contents, equipment in which
5 the records are stored, or other gaming related
6 equipment and supplies on or around the premises,
7 including counting rooms;

8 (C) Inspect the person, and inspect, examine, and
9 seize personal effects present in a casino
10 facility licensed under this chapter, of any
11 holder of a licensed casino facility; and

12 (D) Investigate and deter alleged violations of this
13 chapter or rules adopted by the commission;

14 (7) Investigate alleged violations of this chapter and to
15 take appropriate disciplinary action against the
16 casino licensee or a holder of an occupational or
17 supplier license for a violation, or institute
18 appropriate legal action for enforcement, or both;

19 (8) Be present through its inspectors and agents, any time
20 casino gaming operations are conducted in a casino
21 facility for the purpose of certifying the casino



1 facility's revenue, receiving complaints from the
2 public, and conducting other investigations into the
3 conduct of the casino gaming and the maintenance of
4 the equipment as from time to time the commission may
5 deem necessary and proper;

6 (9) Adopt appropriate standards for a casino facility as
7 well as for electronic or mechanical gaming devices;

8 (10) Require that records including financial or other
9 statements of the casino licensee under this chapter
10 be kept in the manner prescribed by the commission and
11 that a licensee involved in the ownership or
12 management of casino gaming operations submit to the
13 commission an annual balance sheet and profit and loss
14 statement, a list of the stockholders or other persons
15 having a five per cent or greater beneficial interest
16 in the gaming activities of the licensee, and any
17 other information the commission deems necessary to
18 effectively administer this chapter;

19 (11) Conduct hearings, issue subpoenas for the attendance
20 of witnesses and subpoenas duces tecum for the
21 production of books, records, and other pertinent



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

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



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1 (13) Permit the casino licensee of casino gaming operations
2 to use a wagering system whereby wagerers' money may
3 be converted to tokens, electronic cards, or chips,
4 which shall be used only for wagering within the
5 casino facility;

6 (14) Suspend, revoke, or restrict licenses, to require the
7 removal of a licensee or an employee of a licensee for
8 a violation of this chapter or a commission rule, or
9 for engaging in a fraudulent practice;

10 (15) Impose and collect fines of up to \$5,000 against
11 individuals and up to \$10,000 against a licensee for
12 each violation of this chapter, any rules adopted by
13 the commission, or for any other action which, in the
14 commission's discretion, is a detriment or impediment
15 to casino gaming operations;

16 (16) Establish minimum levels of insurance to be maintained
17 by a licensee;

18 (17) Delegate the execution of any of its powers for the
19 purpose of administering and enforcing this chapter;
20 and



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1 (18) Adopt rules pursuant to chapter 91 necessary to
2 implement this chapter; provided that the regulations
3 of the Nevada gaming commission and Nevada state
4 gaming control board ("the Nevada regulations") that
5 are in effect on the effective date of this Act shall
6 be the emergency interim rules of the commission. As
7 adopted under this chapter, all references in the
8 Nevada regulations to "Nevada" shall mean "Hawaii" and
9 all references to any Nevada state department, agency,
10 commission, statute, or rule shall mean the equivalent
11 or similar department, agency, commission, statute, or
12 rule of the State. To the extent the Nevada
13 regulations are inconsistent with this chapter, this
14 chapter shall supersede the Nevada regulations. Due
15 to the imminent peril to public health, safety, or
16 morals absent valid rules related to gaming authorized
17 by this chapter, the commission, under chapter 91, may
18 amend the emergency interim rules to correct
19 inconsistencies between the Nevada regulations and
20 this chapter, but the commission shall retain as much
21 of the emergency interim rules as possible until at

1 least the date on which the casino licensee authorized
2 by this chapter begins operating the gaming facility
3 authorized under this chapter.

4 (b) Rules adopted under this chapter shall not be
5 arbitrary, capricious, or contradictory to the provisions of
6 chapter 91. Rules may include but need not be limited to rules
7 that:

- 8 (1) Govern, restrict, approve, or regulate the casino
9 gaming authorized in this chapter;
- 10 (2) Promote the safety, security, and integrity of casino
11 gaming authorized in this chapter;
- 12 (3) License and regulate, consistent with the
13 qualifications and standards set forth in this
14 chapter, persons participating in or involved with
15 casino gaming authorized in this chapter; and
- 16 (4) Authorize any other action that may be reasonable or
17 appropriate to enforce this chapter and rules adopted
18 under this chapter.

19 This section is not intended to limit warrantless inspections
20 except in accordance with constitutional requirements.



1 § -6 Hawaii gaming control commission; conduct of
2 members, employees, and agents, generally. (a) By January 31
3 of each year, each member of the commission shall prepare and
4 file with the commission a disclosure form in which the member
5 shall:

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

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

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

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



1 (b) By January 31 of each year, each employee of the
2 commission shall prepare and file with the commission a
3 disclosure form in which the employee shall:

4 (1) Affirm the absence of financial interests prohibited
5 by this chapter;

6 (2) Disclose any legal or beneficial interests in any real
7 property that is or that may be directly or indirectly
8 involved with gaming or gaming operations authorized
9 by this chapter;

10 (3) Disclose whether the employee or the employee's
11 spouse, parent, child, or child's spouse is
12 financially interested in or employed by a supplier
13 licensee, or an applicant for a supplier's license,
14 under this chapter; and

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

18 (c) A member, employee, or agent of the commission who
19 becomes aware that the member, employee, or agent of the
20 commission or their spouse, parent, or child is a member of the
21 board of directors of, financially interested in, or employed by



1 a licensee or an applicant shall immediately provide detailed
2 written notice to the chairperson.

3 (d) A member, employee, or agent of the commission who has
4 been indicted, charged with, convicted of, pled guilty or nolo
5 contendere to, or forfeited bail for:

6 (1) A misdemeanor involving gambling, dishonesty, theft,
7 or fraud;

8 (2) A local ordinance in any state involving gambling,
9 dishonesty, theft, or fraud that substantially
10 corresponds to a misdemeanor in that state; or

11 (3) A felony under Hawaii law, the laws of any other
12 state, or the laws of the United States, or any other
13 jurisdiction,

14 shall immediately provide detailed written notice of the
15 conviction or charge to the chairperson.

16 (e) Any member, employee, or agent of the commission who
17 is negotiating for, or acquires by any means, any interest in
18 any person who is a licensee or an applicant, or is affiliated
19 with a person who is a licensee or an applicant, shall
20 immediately provide written notice of the details of the
21 interest to the chairperson. The member, employee, or agent of



1 the commission shall not act on behalf of the commission with
2 respect to that person.

3 (f) A member, employee, or agent of the commission shall
4 not enter into any negotiations for employment with any person
5 or affiliate of any person who is a licensee or an affiliate and
6 shall immediately provide written notice of the details of any
7 negotiations or discussions to the chairperson. The member,
8 employee, or agent of the commission shall not take any action
9 on behalf of the commission with respect to that person.

10 (g) Any member, employee, or agent of the commission who
11 receives an invitation, written or oral, to initiate a
12 discussion concerning employment or the possibility of
13 employment with a person, or affiliate of a person, who is a
14 licensee or an applicant shall immediately report the invitation
15 to the chairperson. The member, employee, or agent of the
16 commission shall not take action on behalf of the commission
17 with respect to that person.

18 (h) A licensee or applicant shall not knowingly initiate a
19 negotiation for, or discussion of, employment with a member,
20 employee, or agent of the commission. A licensee or applicant
21 who initiates a negotiation or discussion about employment shall



1 immediately provide written notice of the details of the
2 negotiation or discussion to the chairperson as soon as that
3 person becomes aware that the negotiation or discussion has been
4 initiated with a member, employee, or agent of the commission.

5 (i) A member, employee, or agent of the commission, or
6 former member, employee, or agent of the commission, shall not
7 disseminate or otherwise disclose any material or information in
8 the possession of the commission that the commission considers
9 confidential, unless specifically authorized to do so by the
10 chairperson or the commission.

11 (j) A member, employee, or agent of the commission or a
12 parent, spouse, sibling, or child of a member, employee, or
13 agent of the commission shall not accept any gift, gratuity,
14 compensation, travel, lodging, or anything of value, directly or
15 indirectly from any licensee, applicant, or any affiliate or
16 representative of an applicant or licensee, unless the
17 acceptance conforms to a written policy or directive issued by
18 the chairperson or the commission. Any member, employee, or
19 agent of the commission who is offered or receives any gift,
20 gratuity, compensation, travel, lodging, or anything of value,
21 directly or indirectly, from any licensee or any applicant or



1 affiliate or representative of an applicant or licensee shall
2 immediately provide written notice of the details to the
3 chairperson.

4 (k) A licensee or applicant, or affiliate or
5 representative of an applicant or licensee, shall not, directly
6 or indirectly, knowingly give or offer to give any gift,
7 gratuity, compensation, travel, lodging, or anything of value to
8 any member, employee, or agent of the commission that the
9 member, employee, or agent of the commission is prohibited from
10 accepting under subsection (j).

11 (l) A member, employee, or agent of the commission shall
12 not engage in any conduct that constitutes a conflict of
13 interest, and shall immediately advise the chairperson in
14 writing of the details of any incident or circumstances that
15 would present the existence of a conflict of interest with
16 respect to the performance of commission-related work or duty of
17 the member, employee, or agent of the commission.

18 (m) A member, employee, or agent of the commission who is
19 approached and offered a bribe in violation of this chapter
20 shall immediately provide a written account of the details of



1 the incident to the chairperson and to a law enforcement officer
2 of a law enforcement agency having jurisdiction.

3 (n) A member, employee, or agent of the commission shall
4 disclose any involvement with any casino interest during the
5 preceding five years and shall not engage in any political or
6 politically-related activity for the duration of the person's
7 membership or employment.

8 (o) A former member, employee, or agent of the commission
9 may appear before the commission as a witness testifying as to
10 factual matters or actions handled by the member, employee, or
11 agent during the person's tenure as a member, employee, or agent
12 of the commission. The member, employee, or agent of the
13 commission shall not receive compensation for appearance other
14 than a standard witness fee and reimbursement for travel
15 expenses as established by statute or court rule.

16 (p) A licensee or applicant or any affiliate or
17 representative of an applicant or licensee shall not engage in
18 ex parte communications concerning a pending application,
19 license, or enforcement action with any member of the
20 commission. A member of the commission shall not engage in any
21 ex parte communications with a licensee or an applicant, or with



1 any affiliate or representative of an applicant or licensee,
2 concerning a pending application, license, or enforcement
3 action.

4 (q) Any commission member, licensee, or applicant or
5 affiliate or representative of a commission member, licensee, or
6 applicant who receives any ex parte communication in violation
7 of subsection (p), or who is aware of an attempted communication
8 in violation of subsection (p), shall immediately report details
9 of the communication or attempted communication in writing to
10 the chairperson.

11 (r) Any member of the commission who receives an ex parte
12 communication that attempts to influence that member's official
13 action shall disclose the source and content of the
14 communication to the chairperson. The chairperson may
15 investigate or initiate an investigation of the matter with the
16 assistance of the attorney general and law enforcement to
17 determine if the communication violates subsection (p) or (q) or
18 other state law. The disclosure under this section and the
19 investigation shall remain confidential. Following an
20 investigation, the chairperson shall advise the governor or the



1 commission, or both, of the results of the investigation and may
2 recommend action, as the chairperson considers appropriate.

3 (s) A new or current employee or agent of the commission
4 shall obtain written permission from the executive director
5 before continuing outside employment held at the time the
6 employee begins to work for the commission. Permission shall be
7 denied, or permission previously granted shall be revoked, if
8 the nature of the work is considered to, or does create, a
9 possible conflict of interest or otherwise interferes with the
10 duties of the employee or agent for the commission.

11 (t) An employee or agent of the commission granted
12 permission for outside employment shall not conduct any business
13 or perform any activities, including solicitation, related to
14 outside employment on premises used by the commission or during
15 the employee's working hours for the commission.

16 (u) Whenever the chairperson is required to file
17 disclosure forms or report in writing the details of any
18 incident or circumstance pursuant to this section, the
19 chairperson shall file the forms or reports with the commission.

20 (v) The chairperson shall report any action the
21 chairperson has taken or contemplates taking under this section,



1 with respect to an employee or agent or former employee or
2 former agent, to the commission at the next meeting of the
3 commission. The commission may direct the executive director to
4 take additional or different action.

5 (w) No member, employee, or agent of the commission may
6 participate in or wager on any gambling game conducted by a
7 licensee or applicant or any affiliate of a licensee or
8 applicant in the State or in any other jurisdiction, except as
9 follows:

10 (1) A member, employee, or agent of the commission may
11 participate in and wager on a gambling game conducted
12 by a licensee under this chapter, to the extent
13 authorized by the chairperson or commission as part of
14 the person's surveillance, security, or other official
15 duties for the commission; and

16 (2) A member, employee, or agent of the commission shall
17 advise the chairperson at least twenty-four hours in
18 advance if the person plans to be present in a casino
19 facility in this State, or in another jurisdiction,
20 operated by a licensee, applicant, or affiliate of a



1 licensee or applicant, outside the scope of the
2 person's official duties for the commission.

3 (x) Violation of this section by a licensee, applicant, or
4 affiliate or representative of a licensee or applicant, may
5 result in denial of the application of licensure, revocation or
6 suspension of license, or other disciplinary action by the
7 commission.

8 (y) Violation of this section by a member of the
9 commission may result in disqualification or constitute cause
10 for removal under section -3(d) or other disciplinary action
11 as determined by the commission.

12 (z) A violation of this section by an employee or agent of
13 the commission shall not result in termination of employment or
14 require other disciplinary action if the commission determines
15 that the conduct involved does not violate the purposes of this
16 chapter. Employment shall be terminated:

17 (1) If the employee or agent is a spouse, parent, child,
18 or spouse of a child of a commission member; or

19 (2) If, after being offered employment or having begun
20 employment with the commission, the employee or agent
21 intentionally acquires a financial interest in a



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1 licensee or an applicant, or affiliate or

2 representative of a licensee or applicant.

3 (aa) If a financial interest in a licensee or an
4 applicant, or affiliate or representative of a licensee or
5 applicant, is acquired by:

6 (1) An employee or agent that has been offered employment
7 with the commission;

8 (2) An employee of the commission; or

9 (3) The employee's or agent's spouse, parent, or child;
10 through no intentional action of the employee or agent, the
11 employee or agent shall have up to thirty days to divest or
12 terminate the financial interest. Employment may be terminated
13 if the interest has not been divested after thirty days.

14 (bb) Violation of this section does not create a civil
15 cause of action.

16 (cc) For the purposes of this section:

17 "Outside employment" includes:

18 (1) Operation of a proprietorship;

19 (2) Participation in a partnership or group business
20 enterprise; or



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(3) Performance as a director or corporate officer of any for-profit corporation, or banking or credit institution.

"Political activity" or "politically-related activity" includes:

(1) Using the person's official authority or influence for the purpose of interfering with or affecting the result of an election;

(2) Knowingly soliciting, accepting, or receiving political contributions from any person;

(3) Running for nomination or as a candidate for election to a partisan political office; or

(4) Knowingly soliciting or discouraging the participation in any political activity of any person who is:

(A) Applying for any compensation, grant, contract, ruling, license, permit, or certificate pending before the commission; or

(B) The subject of or a participant in an ongoing audit, investigation, or enforcement action being carried out by the commission.



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1 § -7 **Authorization of limited casino gaming; permitted**
2 **location; licensing.** (a) Casino gaming shall be permitted only
3 at a single casino facility located in the stadium development
4 district.

5 (b) An application for a casino license to operate the
6 casino facility shall:

7 (1) Comply with and use the application procedures and
8 forms required of an applicant for a non-restricted
9 Nevada gaming license, as adopted by the Nevada gaming
10 commission and Nevada state gaming control board that
11 are in effect on the effective date of this Act; and

12 (2) Include:

13 (A) A casino facility development plan for the casino
14 facility; and

15 (B) All information required under section -8.

16 (c) Applications for a casino license to operate the
17 casino facility shall be submitted to the commission no later
18 than thirty days after the date of the commission's initial
19 meeting.

20 (d) No later than ninety days after the final date for
21 filing of applications with the commission, the commission shall



1 select one applicant per location whom, in the commission's
2 judgment, best meets all of the criteria pursuant to
3 section -9. If an applicant selected by the commission meets
4 all the requirements of this chapter, the commission shall issue
5 a casino license to that applicant within thirty days after the
6 date the applicant is selected.

7 (e) Not more than one casino license shall be issued and
8 valid at any given time. The casino license shall be non-
9 transferable and be valid only for the person in whose name the
10 license was issued and for the operation of the casino facility
11 at the designated location.

12 § -8 Application for casino license; contents. (a) A
13 person seeking to operate the casino facility shall file an
14 application with the commission for a casino license. The
15 application shall be made under oath on forms required by this
16 chapter and shall include:

- 17 (1) The name, business address, telephone number, social
18 security number, and where applicable, the federal tax
19 identification number of the applicant and every
20 qualifier;



1 (2) The identity of any business, including, if
2 applicable, the state of incorporation or
3 registration, in which the applicant or any qualifier
4 has an equity interest of more than five per cent. If
5 the applicant or qualifier is a corporation,
6 partnership, or other business entity, the applicant
7 or qualifier shall identify any other corporation,
8 partnership, or other business entity in which it has
9 an equity interest of more than five per cent,
10 including, if applicable, the state of incorporation
11 or registration;

12 (3) A statement whether the applicant or any qualifier has
13 developed and opened a new land-based casino facility
14 in an urban area within a jurisdiction in the United
15 States that previously did not allow gaming, including
16 a description of the casino facility, the casino
17 facility's gross revenue, and the amount of revenue
18 the casino facility has generated for state and local
19 governments within that jurisdiction;

20 (4) A statement whether the applicant or any qualifier has
21 been indicted, convicted, pled guilty or nolo



1 contendere, or forfeited bail for any felony or for a
2 misdemeanor involving gambling, theft, or fraud. The
3 statement shall include the date, name and location of
4 the court, arresting agency, prosecuting agency, case
5 caption, docket number, the offense, disposition, and
6 the location and duration of incarceration, if any;

7 (5) A statement whether the applicant or any qualifier has
8 ever been granted any license or certificate issued by
9 a licensing authority in the State, or any other
10 jurisdiction that has been restricted, revoked, or not
11 renewed. The statement shall describe the facts and
12 circumstances concerning that restriction, revocation,
13 or nonrenewal, including the licensing authority, the
14 date each action was taken, and the reason for each
15 action;

16 (6) A statement whether the applicant or any qualifier,
17 within the last ten years, has filed or had filed
18 against it any civil or administrative action or
19 proceeding in bankruptcy;

20 (7) A statement whether the applicant or any qualifier,
21 within the last five tax years, has been adjudicated



1 by a court or tribunal to have failed to pay any final
2 amount of any income, sales, or gross receipts tax due
3 and payable under federal, state, or local law, after
4 exhaustion of all interagency appeals processes. This
5 statement shall identify the amount of the tax, type
6 of tax, time periods involved, and resolution;

7 (8) A statement listing the names and titles of all public
8 officials or officers of any unit of state government
9 or county government in the jurisdiction in which the
10 casino facility is to be located, and the spouses,
11 parents, and children of those public officials or
12 officers who, directly or indirectly, own any
13 financial interest in, have any beneficial interest
14 in, are the creditors of or hold any debt instrument
15 issued by, or hold or have an interest in any
16 contractual or service relationship with, the
17 applicant or a qualifier. For the purposes of this
18 paragraph, "public official" or "officer" does not
19 include a person who would be listed solely because of
20 the person's state or federal military service;



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

(10) A description of the applicant or its qualifiers' plan for, community involvement or investment in the area in which the casino facility will be located; and

(11) For the applicant only, a description of any proposed or approved casino facility, including the economic benefit to the community, projected or actual number of employees, any statement from an applicant regarding compliance with federal and state affirmative action guidelines, projected or actual admissions, projected or actual gross receipts, and scientific market research, if any.

(b) Information provided in the application shall be used as the basis for a thorough background investigation that the commission shall conduct with respect to each applicant and qualifier, but any financial information submitted by each applicant and qualifier shall be kept confidential by the



1 commission. An incomplete application shall be cause for denial
2 of a license by the commission.

3 (c) Applicants shall submit with their application a plan
4 for training residents of the State for jobs available at the
5 casino facility. The plan shall take into consideration the
6 need to provide training to low-income persons to enable those
7 persons to qualify for jobs that will be created in the casino
8 facility.

9 (d) Each applicant and qualifier shall disclose the
10 identity of every person, association, trust, or corporation
11 having more than five per cent direct or indirect financial
12 interest in the casino gaming operation for which the license is
13 sought. If the disclosed entity is a trust, the application
14 shall disclose the names and addresses of the beneficiaries; if
15 a corporation, the names and addresses of all stockholders and
16 directors; if a partnership, the names and addresses of all
17 partners, both general and limited.

18 (e) A nonrefundable application fee of \$1,000,000 shall be
19 paid to the commission by an applicant at the time of filing to
20 defray the costs associated with an applicant and qualifiers'
21 background investigation conducted by the commission. If the



1 costs of the investigation exceed \$1,000,000, the applicant
2 shall pay the additional amount to the commission.

3 **§ -9 Award of casino license; suitability; criteria;**
4 **ineligibility.** (a) The commission shall consider casino
5 license applications filed by applicants that satisfy all the
6 eligibility criteria under this chapter and rules adopted by the
7 commission pursuant to this chapter.

8 (b) Any applicant who has paid the application fee
9 required pursuant to section -8 shall be deemed suitable.

10 (c) In issuing the casino license, the commission shall
11 select an applicant that, in the commission's judgment, best
12 meets all of the following criteria:

13 (1) The applicant has submitted a casino facility
14 development plan for the casino facility that provides
15 the greatest likelihood that the applicant's casino
16 facility will increase tourism, generate jobs, provide
17 revenue to the local economy, and provide revenue to
18 the general fund;

19 (2) The applicant or its qualifiers have a bona fide plan
20 for community involvement or investment in the area
21 where the casino facility will be located;

- 1 (3) The applicant or its qualifiers have the financial
2 ability to purchase and maintain adequate liability
3 and casualty insurance and to provide an adequate
4 surety bond;
- 5 (4) The applicant or its qualifiers have provided data
6 identifying the applicant's sources of capital and
7 demonstrating that the applicant has adequate capital
8 to develop, construct, maintain, and operate the
9 proposed casino facility;
- 10 (5) The applicant or its qualifiers have adequate
11 capitalization to develop, construct, maintain, and
12 operate, for the duration of the license, the proposed
13 casino facility in accordance with the requirements of
14 this chapter and rules adopted by the commission and
15 to responsibly pay their secured and unsecured debts
16 in accordance with its financing agreement and other
17 contractual obligations;
- 18 (6) The applicant or any of its qualifiers demonstrates
19 that, as of July 1, 2026, the applicant or qualifier
20 has successfully developed and opened, as opposed to
21 acquired, and currently operates at least four

1 permanent casino facilities in any jurisdiction in the
2 United States. For the purposes of this paragraph,
3 "permanent casino facility" means a lawfully operating
4 casino facility with not less than one thousand slot
5 machines and, if table games are authorized under
6 applicable law, forty table games;

7 (7) Neither the applicant nor any of its qualifiers have
8 been indicted, convicted, pled guilty or nolo
9 contendere, or forfeited bail for any felony or for a
10 misdemeanor involving gambling, theft, or fraud;

11 (8) Neither the applicant nor any of its qualifiers,
12 within the last ten years, have filed, or had filed
13 against them any proceeding for bankruptcy;

14 (9) The extent to which an applicant or any of its
15 qualifiers have, within the last five tax years, been
16 adjudicated by a court or tribunal to have failed to
17 pay any final amount of income, sales, or gross
18 receipts tax due and payable under federal, state, or
19 local law, after settlements or exhaustion of all
20 interagency appeals processes;



- 1 (10) The extent to which the applicant meets other
2 standards for the issuance of a casino license that
3 the commission may have adopted by rule;
- 4 (11) To ensure the continued integrity of Hawaii collegiate
5 athletics, neither the applicant, nor any parent or
6 subsidiary of the applicant, will permit wagering
7 within the State on Hawaii collegiate athletics;
- 8 (12) The adequacy of the applicant's plan for training
9 residents of the State for jobs that are available at
10 the casino facility and the extent to which the plan
11 considers the need to provide training to low-income
12 persons to enable those persons to qualify for jobs
13 that will be created in the casino facility; and
- 14 (13) The caliber of the proposed casino facility, including
15 the proposed casino facility's aesthetic appearance,
16 location, amount of economic benefit to the community,
17 absence of any business conflict of interest of the
18 qualifier, projected or actual number of employees,
19 compliance with federal and state affirmative action
20 guidelines, and projected or actual gross receipts.



1 (d) Any rules adopted by the commission pursuant to this
2 chapter shall not be arbitrary, capricious, or contradictory to
3 the provisions of this chapter and shall further define and
4 clarify the criteria listed in subsection (a), rather than
5 create new conditions for licensure.

6 (e) An applicant shall be ineligible to receive a casino
7 license if the applicant or any employee or qualifier of the
8 applicant:

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

11 (2) Has been convicted of any violation under part III of
12 chapter 712, or substantially similar laws of another
13 jurisdiction;

14 (3) Knowingly filed an application for a license under
15 this chapter that contains false information;

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

17 (5) Has had revoked a license to own or operate gaming
18 facilities in the State or any other jurisdiction;

19 (6) Is a member of the master development team responsible
20 for the development of the stadium development
21 district; or



1 (7) Has been awarded any contract for the provision of any
2 goods, services, or construction in relation to the
3 aloha stadium or the new stadium facilities to be
4 constructed within the stadium development district.

5 (f) To demonstrate financial ability, the applicant may
6 include the economic resources available directly or indirectly
7 to the casino license applicant and its qualifiers.

8 (g) Simultaneous with an applicant's filing of an
9 application, each applicant and qualifier that is a natural
10 person shall submit to the commission, on fingerprint cards
11 issued by the Federal Bureau of Investigation or in digital
12 format, two sets of fingerprints for each applicant and
13 qualifier.

14 (h) The commission may revoke the casino license if the
15 licensee fails to begin regular casino gaming operations within
16 twelve months of receipt of the commission's approval of the
17 application or twelve months after a certificate of occupancy
18 for the casino facility is first issued, whichever is later,
19 upon a finding by the commission that the casino license
20 revocation is in the best interest of the State.



1 (i) The commission shall establish a process to facilitate
2 and expedite the approval of necessary licenses and permits.

3 The commission may establish procedures for the issuance of
4 a liquor license for the casino licensee. The casino licensee
5 shall not be subject to any ordinance adopted by the city and
6 county of Honolulu or any rule or requirement of the liquor
7 commission for the city and county of Honolulu regarding the
8 permitting or approval of any form of live or professional
9 music, dancing, or entertainment; provided that all other state
10 laws, county ordinances, and rules and requirements of the
11 liquor commission for the city and county of Honolulu relating
12 to liquor are met.

13 The commission shall be the receiving agency for any
14 environmental assessment required under chapter 343.

15 (j) Nothing in this chapter shall be interpreted to
16 prohibit the casino licensee from operating a school to train
17 occupational licensees.

18 § -10 **Bond of licensee.** Before a casino license is
19 issued, the licensee shall file a bond in the sum of \$200,000
20 with the department. The bond shall be used to guarantee that
21 the licensee faithfully makes the required payments, maintains

1 books and records, files required reports, and conducts games of
2 chance in compliance with this chapter and rules adopted by the
3 commission. The bond shall not be canceled by a surety on less
4 than thirty days' notice in writing to the commission. If a
5 bond is canceled and the licensee fails to file a replacement
6 bond with the commission in the required amount on or before the
7 effective date of cancellation, the licensee's casino license
8 shall be revoked. The total and aggregate liability of the
9 surety under the bond shall be limited to the amount specified
10 in the bond.

11 **§ -11 Application deficiency.** (a) If, in the review of
12 an application submitted under this chapter, the executive
13 director identifies an apparent deficiency that, if true, would
14 require denial of the license or the disqualification of a
15 qualifier, the executive director shall immediately notify the
16 affected applicant or qualifier in writing of the apparent
17 deficiency. The applicant or qualifier may then request a
18 confidential informal conference with the executive director to
19 discuss the factual basis of the apparent deficiency.

20 (b) The executive director shall provide the applicant or
21 qualifier a reasonable period of time to correct the apparent



1 deficiency and, if the apparent deficiency is not corrected
2 within the reasonable time period, the executive director shall
3 find that the apparent deficiency has not been corrected.

4 Following this finding, the affected applicant or qualifier
5 shall have an opportunity to appeal the executive director's
6 finding to the commission. The commission shall conduct an
7 investigative hearing pursuant to section -17 and in
8 accordance with rules adopted by the commission under this
9 chapter, to determine whether there is sufficient evidence to
10 support an apparent deficiency finding. At the hearing, the
11 burden of proof shall be on the executive director to
12 demonstrate that the finding of an apparent deficiency is
13 supported by law and facts. Any finding by the commission
14 regarding an applicant's or qualifier's apparent deficiency
15 shall not constitute a final determination by the commission as
16 to the suitability of the applicant to be issued a license, or
17 the suitability of a qualifier to hold an ownership interest in
18 a casino license applicant.

19 (c) At any time before a finding by the commission that a
20 qualifier is unsuitable to hold an ownership interest in a
21 casino license applicant, a qualifier shall have the ability to



1 sell its ownership interest in the casino license applicant to
2 the casino license applicant, another qualifier, or a third
3 party.

4 (d) A qualifier who has been issued a finding of an
5 apparent deficiency shall have the right to request that the
6 commission expand the apparent deficiency hearing under this
7 section to include a determination of the qualifier's
8 suitability to hold an ownership interest in the casino license
9 applicant. If a request is made, the commission shall determine
10 the suitability of the affected qualifier separate from the
11 suitability of the casino license applicant and any of its other
12 qualifiers. A request by a qualifier for an extended hearing
13 pursuant to this section shall not prevent the commission from
14 issuing a license to the applicant. Until the commission
15 determines that a qualifier under this section is suitable to
16 hold an ownership interest in the casino license applicant, the
17 casino license applicant or licensee shall not do any of the
18 following:

- 19 (1) Make any direct or indirect payments or distributions
20 of revenue or other benefits to the qualifier that are



1 related in any way to the qualifier's interest in the
2 applicant; and

- 3 (2) Pay any direct or indirect compensation to the
4 qualifier for services rendered to the applicant,
5 unless specifically approved and authorized by the
6 commission.

7 § -12 Institutional investor; waiver. (a) Unless the
8 commission determines that an institutional investor is
9 unqualified, an institutional investor holding less than ten per
10 cent of the equity securities of the casino licensee's affiliate
11 or affiliated company that is related in any way to the
12 financing of the casino licensee, shall be granted a waiver of
13 the eligibility and suitability requirements if:

- 14 (1) The securities are those of a publicly traded
15 corporation and its holdings of those securities were
16 purchased for investment purposes only; and

- 17 (2) Upon request by the commission, the institutional
18 investor files with the commission a certified
19 statement that it has no intention of influencing or
20 affecting the affairs of the issuer, the casino
21 licensee, or its affiliate or affiliated company.



1 (b) The commission may grant a waiver under this section
2 to an institutional investor holding a higher percentage of
3 securities than allowed in subsection (a) upon a showing of good
4 cause and if the conditions specified in subsection (a) are met.

5 (c) An institutional investor granted a waiver under this
6 section that subsequently intends to influence or affect the
7 affairs of the issuer shall provide notice to the commission and
8 file an application for a determination of eligibility and
9 suitability before taking any action that may influence or
10 affect the affairs of the issuer.

11 (d) Notwithstanding any provisions of this chapter, an
12 institutional investor may vote on all matters that are put to
13 the vote of the outstanding security holders of the issuer.

14 (e) If an institutional investor changes its investment
15 intent or if the commission finds that the institutional
16 investor is unqualified, no action other than divestiture of the
17 security holdings shall be taken until there has been compliance
18 with this chapter.

19 (f) The casino licensee or an affiliate or affiliated
20 company of the casino licensee shall immediately notify the
21 commission of any information concerning an institutional



1 investor holding its equity securities that may affect the
2 eligibility and suitability of the institutional investor for a
3 waiver under this section.

4 (g) If the commission finds that an institutional
5 investor, holding any security of an affiliate or affiliated
6 company of the casino licensee that is related in any way to the
7 financing of the casino licensee, fails to comply with the
8 requirements of this section, or if at any time the commission
9 finds that, by reason of the extent or nature of its holdings,
10 an institutional investor is in a position to exercise a
11 substantial impact upon the controlling interests of the casino
12 licensee, the commission may take any necessary action to
13 protect the public interest, including requiring the
14 institutional investor to satisfy the eligibility and
15 suitability requirements under sections -8, -9,
16 and -10.

17 § -13 **Supplier's licenses.** (a) No person shall furnish
18 in excess of \$500,000 worth of equipment, devices, or supplies
19 to the casino licensee unless the person has first obtained a
20 supplier's license pursuant to this section. The commission may
21 issue a supplier's license to any person, firm, or corporation

1 who pays a nonrefundable application fee as set by the
2 commission upon a determination by the commission that the
3 applicant is eligible for a supplier's license and upon payment
4 by the applicant of a \$5,000 license fee. Supplier's licenses
5 shall be renewable annually upon payment of a \$5,000 annual
6 license fee and a determination by the commission that the
7 licensee continues to meet all of the requirements of this
8 chapter.

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

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

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

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

1 (2) The person has been convicted of any violation under
2 part III of chapter 712, or substantially similar laws
3 of another jurisdiction;

4 (3) The person has knowingly filed an application for a
5 license under this chapter that contains false
6 information;

7 (4) The person is a member of the commission;

8 (5) The firm or corporation is one in which a person
9 identified in paragraph (1), (2), (3), or (4) is an
10 officer, director, or managerial employee;

11 (6) The firm or corporation employs a person, identified
12 in paragraph (1), (2), (3), or (4), that participates
13 in the management or operation of casino gaming
14 authorized under this chapter; or

15 (7) The license of the person, firm, or corporation issued
16 under this chapter, or a license to own or operate
17 casino facilities in any other jurisdiction, has been
18 revoked.

19 (e) A supplier shall:

20 (1) Furnish to the commission a list of all equipment,
21 devices, and supplies offered for sale or lease in



1 connection with casino games authorized under this
2 chapter;

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

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

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

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

15 (f) Any person who knowingly makes a false statement on an
16 application under this section shall be guilty of a petty
17 misdemeanor.

18 (g) Any casino gaming equipment, devices, or supplies
19 provided by any licensed supplier may either be repaired in the
20 casino facility or be removed from the casino facility to a
21 facility owned by the holder of a casino license for repair.



Any supplier's equipment, devices, and supplies that are used by any person in an unauthorized gaming operation shall be forfeited to the county.

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

(1) The payment of a nonrefundable application fee set by the commission;

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

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

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

(1) Be at least twenty-one years of age if the applicant performs any function involved in casino gaming by patrons. Any applicant seeking an occupational license for a non-gaming function shall be at least eighteen years of age;

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



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

5 (c) Each application for an occupational license shall be
6 on forms prescribed by the commission and shall contain all
7 information required by the commission. The applicant shall set
8 forth in the application whether the applicant:

9 (1) Has been issued prior gaming-related licenses in any
10 jurisdiction;

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

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

17 (d) Each applicant shall submit with the application two
18 sets of the applicant's fingerprints. The commission shall
19 charge each applicant a fee to defray the costs associated with
20 the search and classification of fingerprints obtained by the
21 commission with respect to the application.

1 (e) The commission may refuse to grant an occupational
2 license to any person:

3 (1) Who is unqualified to perform the duties required of
4 the applicant;

5 (2) Who fails to disclose or states falsely any
6 information in the application;

7 (3) Who has been found guilty of a violation of this
8 chapter or whose prior casino gaming-related license
9 or application has been suspended, restricted,
10 revoked, or denied for just cause in any other
11 jurisdiction; or

12 (4) For any other just cause.

13 (f) The commission may suspend, revoke, or restrict any
14 occupational licensee:

15 (1) For any violation of this chapter;

16 (2) For any violation of the rules of the commission;

17 (3) For any cause which, if known to the commission, would
18 have disqualified the applicant from receiving a
19 license;

20 (4) For default in the payment of any obligation or debt
21 due to the State or the county; or



1 (5) For any other just cause.

2 (g) A person who knowingly makes a false statement on an
3 application shall be guilty of a petty misdemeanor.

4 (h) Any occupational license issued pursuant to this
5 section shall be valid for a period of one year from the date of
6 issuance and shall be renewable annually upon payment of an
7 annual license fee and a determination by the commission that
8 the licensee continues to meet all of the requirements of this
9 chapter.

10 (i) Any training provided for an occupational licensee may
11 be conducted either in a licensed casino facility or at a school
12 with which the casino licensee has entered into an agreement.

13 § -15 **Temporary supplier and occupational licenses.** (a)

14 Upon written request of a person applying for a supplier or
15 occupational license under this chapter, the executive director
16 shall issue a temporary license to the applicant and permit the
17 applicant to undertake employment with, conduct business
18 transactions with, and provide goods and services to, casino
19 licensees, casino license applicants, and holders of
20 certificates of suitability; provided that all of the following
21 provisions are met:



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- 1 (1) The applicant has filed with the commission a
- 2 completed application, an application fee, and all
- 3 required disclosure forms and other required written
- 4 documentation and materials;
- 5 (2) Preliminary review of the application and a criminal
- 6 history check by the executive director and the
- 7 commission staff does not reveal that the applicant or
- 8 the applicant's affiliates, key persons, local and
- 9 regional managerial employees or sales and service
- 10 representatives, or substantial owners have been
- 11 convicted of a felony or misdemeanor that would
- 12 require denial of the application or may otherwise be
- 13 ineligible, unqualified, or unsuitable to permit
- 14 licensure under this chapter;
- 15 (3) There is no other apparent deficiency in the
- 16 application that may require denial of the
- 17 application; and
- 18 (4) The applicant has an offer of employment from, or
- 19 agreement to begin providing goods and services to,
- 20 the casino licensee, a casino license applicant, or
- 21 holder of a certificate of suitability upon receipt of



1 the temporary license or the applicant shows good
2 cause for being granted a temporary license.

3 (b) A temporary license issued under this section shall be
4 valid for not more than one hundred and eighty days, but may be
5 renewed upon expiration by the executive director.

6 (c) An applicant who receives a temporary license under
7 this section may undertake employment with or supply the casino
8 licensee, casino license applicants, and holders of certificates
9 of suitability with goods and services subject to this chapter
10 until a license is issued by the commission pursuant to the
11 applicant's application or until the temporary license expires
12 or is suspended or revoked. During the period of the temporary
13 license, the applicant shall comply with this chapter and rules
14 adopted by the commission.

15 (d) If the temporary license expires, is not renewed, or
16 is suspended or revoked, the executive director shall
17 immediately forward the applicant's application to the
18 commission for action after first providing a reasonable time
19 for the applicant to correct any apparent deficiency in its
20 application.



1 § **-16 Annual report.** The commission shall submit an
2 annual report to governor and the legislature no later than
3 sixty days after the close of each fiscal year and shall submit
4 any additional reports upon request by the governor or the
5 legislature. The annual report shall include:

6 (1) A statement of receipts and disbursements related to
7 casino gaming pursuant to this chapter;

8 (2) Actions taken by the commission; and

9 (3) Any other findings and recommendations that the
10 commission may deem valuable or which the governor or
11 the legislature may request.

12 § **-17 Hearings by the commission.** (a) The commission
13 may order one of the commission members or a hearings officer
14 designated by the commission to conduct any hearing provided for
15 under this chapter related to casino gaming or by commission
16 rule, and submit findings and recommendations to the commission.
17 The record made at the time of the hearing shall be reviewed by
18 the commission, or a majority thereof, and the findings and
19 decisions of the majority of the commission shall constitute the
20 order of the commission in that case.



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

§ -18 Conduct of casino gaming; conditions. Casino gaming may be conducted by the holder of a casino license, subject to the following:

(1) The site of the casino facility shall be restricted to the location permitted under the license;

(2) The term of the casino license shall be twenty years and shall be renewable for additional twenty-year terms; provided that:

(A) The casino facility has demonstrated an effort to increase tourism, generate jobs, provide revenue



- 1 to the local economy, and provide revenue to the
2 general fund;
- 3 (B) The casino licensee's actions have not caused the
4 casino license under this chapter to be suspended
5 or revoked; and
- 6 (C) The licensee and its qualifiers remain eligible
7 and suitable for a casino license;
- 8 (3) The casino facility may operate twenty-four hours per
9 day, each and every day of the year;
- 10 (4) Minimum and maximum wagers on games shall be set by
11 the casino licensee;
- 12 (5) The commission's agents may enter and inspect the
13 casino facility at any time for the purpose of
14 determining whether the casino licensee is in
15 compliance with this chapter;
- 16 (6) Commission employees shall have the right to be
17 present in a casino facility or on adjacent facilities
18 under the control of the casino licensee;
- 19 (7) Gaming equipment and supplies customarily used in
20 conducting casino gaming shall be purchased or leased
21 only from suppliers licensed under this chapter;



1 (8) Persons licensed under this chapter shall permit no
2 form of wagering on games except as permitted by this
3 chapter;

4 (9) Wagers may be received only from a person present in a
5 licensed casino facility. No person present in a
6 licensed casino facility shall place or attempt to
7 place a wager on behalf of another person who is not
8 present in the casino facility;

9 (10) Wagering shall not be conducted with money or other
10 negotiable currency, except for wagering on slot
11 machines;

12 (11) No person under the age of twenty-one shall be
13 permitted in an area of a casino facility where casino
14 gaming is being conducted, except for a person at
15 least eighteen years of age who is an employee of the
16 casino facility. No employee under the age of
17 twenty-one shall perform any function involved in
18 casino gaming by patrons. No person under the age of
19 twenty-one shall be permitted to make a wager under
20 this chapter;



1 (12) All tokens, chips, or electronic cards used to make
2 wagers shall only be purchased from the casino
3 licensee within the casino facility. The tokens,
4 chips, or electronic cards may be purchased by means
5 of an agreement under which the casino licensee
6 extends credit to the wagerer. The tokens, chips, or
7 electronic cards shall be used while within a casino
8 facility only for the purpose of making wagers on
9 authorized games;

10 (13) Before commencing gaming operations at the casino
11 facility, the casino licensee shall enter into a
12 development agreement with the State that includes at
13 least the following terms:

14 (A) The casino licensee agrees to invest at least
15 \$500,000,000 to develop and construct a casino
16 facility, including land, soft, and hard costs;

17 (B) The casino licensee agrees to use best efforts to
18 train residents of the State for jobs that are
19 available at the casino facility;

20 (C) The casino licensee agrees that neither the
21 casino licensee, nor any parent or subsidiary of



1 the casino licensee, will permit wagering within
2 the State on Hawaii collegiate athletics;

3 (D) The casino licensee shall use best efforts to
4 increase tourism, generate jobs, and provide
5 revenue to the local economy and to the State;
6 and

7 (E) The casino licensee and the State agree that,
8 other than the one casino facility licensed under
9 this chapter, the State shall not authorize any
10 additional gaming in the State without the prior
11 written consent of the casino licensee and the
12 State; and

13 (14) In addition to the above, casino gaming shall be
14 conducted in accordance with all rules adopted by the
15 commission.

16 **§ -19 Collection of amounts owing under credit**
17 **agreements.** Notwithstanding any law to the contrary, if the
18 casino licensee extends credit to a wagerer, the casino licensee
19 may institute a cause of action to collect any amounts due and
20 owing under the extension of credit and the licensee's costs,
21 expenses, and reasonable attorney's fees incurred in collection.



1 § -20 **Wagering tax; rates; disposition.** (a) A wagering
2 tax shall be imposed on the monthly gross receipts received from
3 casino gaming authorized under this chapter. The tax rates
4 imposed under this section shall be:

5 (1) Fifteen per cent for table games; and

6 (2) Twenty per cent for all other casino games.

7 (b) The wagering tax imposed by this section shall be in
8 lieu of all other state taxes on gross or adjusted gross
9 receipts, including taxes levied under chapters 237 and 239,
10 except income taxes. All other income received by the casino
11 licensee that is not from casino gaming shall not be subject to
12 the wagering tax, but shall be subject to any other state taxes
13 on gross or adjusted gross receipts levied under chapters 237
14 and 239.

15 (c) The tax revenues collected under this section shall be
16 distributed as follows:

17 (1) Twenty-five per cent shall be allocated to the office
18 of Hawaiian affairs;

19 (2) Fifteen per cent shall be allocated to the state

20 gaming fund established under section -21 for the



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1 purposes set forth in section -21(b)(2) and (3);
2 and

3 (3) Sixty per cent shall be allocated to the department of
4 education.

5 § -21 **State gaming fund.** (a) There is established
6 within the state treasury the state gaming fund, to be
7 administered by the commission, into which shall be deposited:

8 (1) All fees, fines, and other revenues collected pursuant
9 to this chapter, unless otherwise provided;

10 (2) Wagering tax revenues allocated to the fund under
11 section -20; and

12 (3) All interest earned or accrued on moneys deposited in
13 the fund.

14 (b) Moneys in the fund shall be allocated as follows:

15 (1) Twenty-five per cent shall be allocated to the office
16 of Hawaiian affairs;

17 (2) Five per cent shall be allocated to the compulsive
18 gamblers program established pursuant to -23 and
19 programs to ensure public safety at the casino
20 facility;



(3) Ten per cent shall be used for the administrative expenses of the commission; and

(4) Sixty per cent shall be allocated to the department of education.

(c) The commission shall submit a report to the legislature, no later than sixty days after the close of each fiscal year, providing an accounting of the receipts and expenditures of the fund.

§ -22 **Audits.** After the first full fiscal year of operation, the auditor shall conduct a program and financial audit of the Hawaii gaming commission. Thereafter, the auditor shall conduct a program and financial audit every four years after the initial audit is completed.

§ -23 **Compulsive gamblers program.** The commission shall establish and implement a program to assist individuals who are identified as compulsive gamblers.

§ -24 **Disclosure of information.** (a) The commission, upon written request from any person, shall provide the following information concerning an applicant or licensee, an applicant's or licensee's products, services, or gambling enterprises, or an applicant's or licensee's business holdings;



1 provided that the commission has the information in its
2 possession:

- 3 (1) The name, business address, and business telephone
4 number;
- 5 (2) Identification of any applicant or licensee including,
6 if an applicant or licensee is not an individual, its
7 state of incorporation or registration, its corporate
8 officers, and the identity of its qualifiers;
- 9 (3) The name and business telephone number of any
10 attorney, counsel, lobbyist, or any other person
11 representing an applicant or licensee in matters
12 before the commission; and
- 13 (4) A description of the product or service to be supplied
14 by, or occupation to be engaged in by, a licensee.

15 **§ -25 License issuance fee.** (a) In addition to any
16 other fee or payment required under this chapter, there shall be
17 a one-time fee of \$150,000,000, in cash or cash equivalent, to
18 be paid by the casino licensee as follows:

- 19 (1) \$75,000,000 as a condition precedent to the issuance
20 of the casino license; and



(2) \$75,000,000 due one year after the issuance of the casino license.

(b) The fee collected pursuant to this section shall be deposited into the general fund.

(c) Upon payment of the \$75,000,000 due under subsection (a)(2), the casino licensee shall be credited with the amount of this payment against the wagering tax imposed upon the casino licensee under section -20, to be amortized over a period of ten years after that payment is made."

SECTION 2. Chapter 281, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately designated and to read as follows:

"§281- Liquor license; casino facilities. (a)
Notwithstanding any law to the contrary, the Hawaii gaming control commission, established pursuant to section -3, may establish procedures for the issuance of a liquor license for the casino licensee.

(b) The casino licensee shall not be subject to any ordinance adopted by the city and county of Honolulu or any rule or requirement of the liquor commission for the city and county of Honolulu regarding the permitting or approval of any form of



1 live or professional music, dancing, or entertainment; provided
2 that all other state laws, county ordinances, and relating to
3 liquor are met.

4 (c) For the purposes of this section, "casino licensee"
5 means any person who holds a casino license issued under
6 chapter ____."

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

10 "§712- Casino gaming; exempted. This part shall not
11 apply to casino gaming as authorized pursuant to chapter ____."

12 SECTION 4. Section 46-80.5, Hawaii Revised Statutes, is
13 amended by amending subsection (e) to read as follows:

14 "(e) Exemptions.

15 (1) Property owned by the state or county governments or
16 entities, may be exempt from the assessment except as
17 provided in paragraph (3);

18 (2) Property owned by the federal government or entities,
19 shall be exempt from the assessment except as provided
20 in paragraph (3);



1 (3) If a public body owning property, including property
2 held in trust for any beneficiary, which is exempt
3 from an assessment pursuant to paragraphs (1) and (2),
4 grants a leasehold or other possessory interest in the
5 property to a nonexempt person or entity, the
6 assessment, notwithstanding paragraphs (1) and (2),
7 shall be levied on the leasehold or possessory
8 interest and shall be payable by the lessee;

9 (4) The construction of any casino facility authorized
10 under chapter shall be exempt from the assessment
11 and any special improvement district requirements
12 regarding redevelopment authorized by subsection (a);

13 ~~[(4)]~~ (5) The redevelopment of the Ala Wai boat harbor
14 shall be exempt from the assessment and any special
15 improvement district requirements authorized by
16 subsection (a); and

17 ~~[(5)]~~ (6) No other properties or owners shall be exempt
18 from the assessment unless the properties or owners
19 are expressly exempted in the ordinance establishing a
20 district adopted pursuant to this section or amending



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1 the rate or method of assessment of an existing
2 district."

3 SECTION 5. Section 76-16, Hawaii Revised Statutes, is
4 amended by amending subsection (b) to read as follows:

5 "(b) The civil service to which this chapter applies shall
6 comprise all positions in the State now existing or hereafter
7 established and embrace all personal services performed for the
8 State, except the following:

- 9 (1) Commissioned and enlisted personnel of the Hawaii
10 National Guard and positions in the Hawaii National
11 Guard that are required by state or federal laws or
12 regulations or orders of the National Guard to be
13 filled from those commissioned or enlisted personnel;
- 14 (2) Positions filled by persons employed by contract where
15 the director of human resources development has
16 certified that the service is special or unique or is
17 essential to the public interest and that, because of
18 circumstances surrounding its fulfillment, personnel
19 to perform the service cannot be obtained through
20 normal civil service recruitment procedures. Any
21 contract may be for any period not exceeding one year;



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1 (3) Positions that must be filled without delay to comply
2 with a court order or decree if the director
3 determines that recruitment through normal recruitment
4 civil service procedures would result in delay or
5 noncompliance, such as the Felix-Cayetano consent
6 decree;

7 (4) Positions filled by the legislature or by either house
8 or any committee thereof;

9 (5) Employees in the office of the governor and office of
10 the lieutenant governor, and household employees at
11 Washington Place;

12 (6) Positions filled by popular vote;

13 (7) Department heads, officers, and members of any board,
14 commission, or other state agency whose appointments
15 are made by the governor or are required by law to be
16 confirmed by the senate;

17 (8) Judges, referees, receivers, masters, jurors, notaries
18 public, land court examiners, court commissioners, and
19 attorneys appointed by a state court for a special
20 temporary service;



1 (9) One bailiff for the chief justice of the supreme court
2 who shall have the powers and duties of a court
3 officer and bailiff under section 606-14; one
4 secretary or clerk for each justice of the supreme
5 court, each judge of the intermediate appellate court,
6 and each judge of the circuit court; one secretary for
7 the judicial council; one deputy administrative
8 director of the courts; three law clerks for the chief
9 justice of the supreme court, two law clerks for each
10 associate justice of the supreme court and each judge
11 of the intermediate appellate court, one law clerk for
12 each judge of the circuit court, two additional law
13 clerks for the civil administrative judge of the
14 circuit court of the first circuit, two additional law
15 clerks for the criminal administrative judge of the
16 circuit court of the first circuit, one additional law
17 clerk for the senior judge of the family court of the
18 first circuit, two additional law clerks for the civil
19 motions judge of the circuit court of the first
20 circuit, two additional law clerks for the criminal
21 motions judge of the circuit court of the first



1 circuit, and two law clerks for the administrative
2 judge of the district court of the first circuit; and
3 one private secretary for the administrative director
4 of the courts, the deputy administrative director of
5 the courts, each department head, each deputy or first
6 assistant, and each additional deputy, or assistant
7 deputy, or assistant defined in paragraph (16);

8 (10) First deputy and deputy attorneys general, the
9 administrative services manager of the department of
10 the attorney general, one secretary for the
11 administrative services manager, an administrator and
12 any support staff for the criminal and juvenile
13 justice resources coordination functions, and law
14 clerks;

15 (11) (A) Teachers, principals, vice-principals, complex
16 area superintendents, deputy and assistant
17 superintendents, other certificated personnel,
18 and no more than twenty noncertificated
19 administrative, professional, and technical
20 personnel not engaged in instructional work;



1 (B) Effective July 1, 2003, teaching assistants,
2 educational assistants, bilingual or bicultural
3 school-home assistants, school psychologists,
4 psychological examiners, speech pathologists,
5 athletic health care trainers, alternative school
6 work study assistants, alternative school
7 educational or supportive services specialists,
8 alternative school project coordinators, and
9 communications aides in the department of
10 education;

11 (C) The special assistant to the state librarian and
12 one secretary for the special assistant to the
13 state librarian; and

14 (D) Members of the faculty of the university of
15 Hawaii, including research workers, extension
16 agents, personnel engaged in instructional work,
17 and administrative, professional, and technical
18 personnel of the university;

19 (12) Employees engaged in special, research, or
20 demonstration projects approved by the governor;



- 1 (13) (A) Positions filled by inmates, patients of state
2 institutions, and persons with severe physical or
3 mental disabilities participating in the work
4 experience training programs;
- 5 (B) Positions filled with students in accordance with
6 guidelines for established state employment
7 programs; and
- 8 (C) Positions that provide work experience training
9 or temporary public service employment that are
10 filled by persons entering the workforce or
11 persons transitioning into other careers under
12 programs such as the federal Workforce Investment
13 Act of 1998, as amended, or the Senior Community
14 Service Employment Program of the Employment and
15 Training Administration of the United States
16 Department of Labor, or under other similar state
17 programs;
- 18 (14) A custodian or guide at Iolani Palace, the Royal
19 Mausoleum, and Hulihee Palace;
- 20 (15) Positions filled by persons employed on a fee,
21 contract, or piecework basis, who may lawfully perform



1 their duties concurrently with their private business
2 or profession or other private employment and whose
3 duties require only a portion of their time, if it is
4 impracticable to ascertain or anticipate the portion
5 of time to be devoted to the service of the State;

6 (16) Positions of first deputies or first assistants of
7 each department head appointed under or in the manner
8 provided in section 6, article V, of the Hawaii State
9 Constitution; three additional deputies or assistants
10 either in charge of the highways, harbors, and
11 airports divisions or other functions within the
12 department of transportation as may be assigned by the
13 director of transportation, with the approval of the
14 governor; one additional deputy in the department of
15 human services either in charge of welfare or other
16 functions within the department as may be assigned by
17 the director of human services; four additional
18 deputies in the department of health, each in charge
19 of one of the following: behavioral health,
20 environmental health, hospitals, and health resources
21 administration, including other functions within the



1 department as may be assigned by the director of
2 health, with the approval of the governor; two
3 additional deputies in charge of the law enforcement
4 programs, administration, or other functions within
5 the department of law enforcement as may be assigned
6 by the director of law enforcement, with the approval
7 of the governor; three additional deputies each in
8 charge of the correctional institutions,
9 rehabilitation services and programs, and
10 administration or other functions within the
11 department of corrections and rehabilitation as may be
12 assigned by the director of corrections and
13 rehabilitation, with the approval of the governor; two
14 administrative assistants to the state librarian; and
15 an administrative assistant to the superintendent of
16 education;

17 (17) Positions specifically exempted from this part by any
18 other law; provided that:

19 (A) Any exemption created after July 1, 2014, shall
20 expire three years after its enactment unless



- 1 affirmatively extended by an act of the
2 legislature; and
- 3 (B) All of the positions defined by paragraph (9)
4 shall be included in the position classification
5 plan;
- 6 (18) Positions in the state foster grandparent program and
7 positions for temporary employment of senior citizens
8 in occupations in which there is a severe personnel
9 shortage or in special projects;
- 10 (19) Household employees at the official residence of the
11 president of the university of Hawaii;
- 12 (20) Employees in the department of education engaged in
13 the supervision of students during meal periods in the
14 distribution, collection, and counting of meal
15 tickets, and in the cleaning of classrooms after
16 school hours on a less than half-time basis;
- 17 (21) Employees hired under the tenant hire program of the
18 Hawaii public housing authority; provided that no more
19 than twenty-six per cent of the authority's workforce
20 in any housing project maintained or operated by the



- 1 authority shall be hired under the tenant hire
2 program;
- 3 (22) Positions of the federally funded expanded food and
4 nutrition program of the university of Hawaii that
5 require the hiring of nutrition program assistants who
6 live in the areas they serve;
- 7 (23) Positions filled by persons with severe disabilities
8 who are certified by the state vocational
9 rehabilitation office that they are able to perform
10 safely the duties of the positions;
- 11 (24) The sheriff;
- 12 (25) A gender and other fairness coordinator hired by the
13 judiciary;
- 14 (26) Positions in the Hawaii National Guard youth and adult
15 education programs;
- 16 (27) In the Hawaii state energy office in the department of
17 business, economic development, and tourism, all
18 energy program managers, energy program specialists,
19 energy program assistants, and energy analysts;
- 20 (28) Administrative appeals hearing officers in the
21 department of human services;



1 (29) In the Med-QUEST division of the department of human
2 services, the division administrator, finance officer,
3 health care services branch administrator, medical
4 director, and clinical standards administrator;

5 (30) In the director's office of the department of human
6 services, the enterprise officer, information security
7 and privacy compliance officer, security and privacy
8 compliance engineer, security and privacy compliance
9 analyst, information technology implementation
10 manager, assistant information technology
11 implementation manager, resource manager, community or
12 project development director, policy director, special
13 assistant to the director, and limited English
14 proficiency project manager or coordinator;

15 (31) The Alzheimer's disease and related dementia services
16 coordinator in the executive office on aging;

17 (32) In the Hawaii emergency management agency, the
18 executive officer, public information officer, civil
19 defense administrative officer, branch chiefs, and
20 emergency operations center state warning point
21 personnel; provided that for state warning point



1 personnel, the director shall determine that
2 recruitment through normal civil service recruitment
3 procedures would result in delay or noncompliance;

4 (33) The executive director and seven full-time
5 administrative positions of the school facilities
6 authority;

7 (34) Positions in the Mauna Kea stewardship and oversight
8 authority;

9 (35) In the office of homeland security of the department
10 of law enforcement, the statewide interoperable
11 communications coordinator;

12 (36) In the social services division of the department of
13 human services, the business technology analyst;

14 (37) The executive director and staff of the 911 board;

15 (38) The software developer supervisor and senior software
16 developers in the department of taxation;

17 (39) In the department of law enforcement, five Commission
18 on Accreditation for Law Enforcement Agencies, Inc.,
19 coordinator positions;

20 (40) The state fire marshal and deputy state fire marshal
21 in the office of the state fire marshal;



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(41) The administrator for the law enforcement standards board;

(42) In the office of the director of taxation, the data privacy officer and tax business analysts; ~~and~~

~~+~~(43)~~+~~ All positions filled by the Hawaii tourism authority within the department of business, economic development, and tourism~~[-]~~; and

(44) The executive director and any assistants, officers, or employees of the Hawaii gaming control commission.

The director shall determine the applicability of this section to specific positions.

Nothing in this section shall be deemed to affect the civil service status of any incumbent as it existed on July 1, 1955."

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$5,000,000 or so much thereof as may be necessary for fiscal year 2026-2027 for the purpose of funding the operations of the Hawaii gaming control commission; provided that the:

(1) Casino licensee shall reimburse the amount appropriated by remitting \$5,000,000 to the director



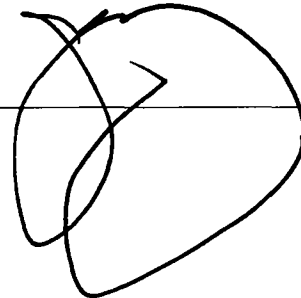
1 of finance no later than the first day on which the
2 casino facility opens for operation;
3 (2) Casino licensee's application fee under
4 section -8(e), Hawaii Revised Statutes, shall be
5 applied as a credit against the \$5,000,000 amount due
6 under this section; and
7 (3) Amount the casino licensee reimburses the State under
8 this section shall also be credited against the
9 wagering tax imposed under section -20, Hawaii
10 Revised Statutes.

11 The sum appropriated shall be expended by the department of
12 commerce and consumer affairs for the purposes of this Act.

13 SECTION 7. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 8. This Act shall take effect on July 1, 2026.
16

INTRODUCED BY: _____

A large, stylized handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

S.B. NO. 3268

Report Title:

DCCA; Auditor; OHA; DOE; Casino Gaming; Stadium Development District; Hawaii Gaming Control Commission; Rules; Casino License; Supplier's License; Occupational License; Liquor License; Reports; Wagering Tax; State Gaming Fund; Compulsive Gamblers Program; Audits; Appropriation

Description:

Authorizes limited casino gaming in the State at a single casino facility located in the Stadium Development District. Establishes the Hawaii Gaming Control Commission. Authorizes the Commission to adopt rules. Authorizes the Commission to issue one 20-year casino license to one licensee for the development and operation of the casino facility. Establishes application procedures and requirements for the casino license, supplier's license, and occupational license. Allows the Commission to establish procedures for the issuance of a liquor license for the casino licensee. Requires annual reports to the Governor and Legislature. Establishes the Wagering Tax and the disposition of revenues therefrom, including allocations to the Office of Hawaiian Affairs and Department of Education. Establishes the State Gaming Fund. Requires the Commission to establish a Compulsive Gamblers Program. Requires the Auditor to perform periodic audits of the Commission. Appropriates funds.

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

