



February 9, 2026

Position: **OPPOSE HB2570**, Relating to Sports Wagering

To: Representative Greggor Ilagan, Chair
Representative Ikaika Hussey, Vice Chair
Members of the House Committee on Economic Development & Technology

From: Llasmin Chaine, LSW, Executive Director, Hawaii State Commission on the Status of Women

Re: Testimony in OPPOSITION of HB2570, Relating to Sports Wagering

Hearing: Wednesday, February 11, 2026, 8:30 a.m.
Conference Room 426, State Capitol

On behalf of the Hawaii State Commission on the Status of Women, I would like to express our **opposition of HB2570**, as it **legalizes gambling in Hawaii**. Research, and experiences from other jurisdictions, indicate that gambling, including sports wagering, has been found to have disproportionate negative effects on women, including increased risk of intimate partner violence, financial hardship, and family instability.

We urge you to vote NO on HB2570. Legalizing online sports betting **will bring more harm than good to our communities**. Gambling is a **predatory industry built on addiction, financial loss, and exploitation**. We must learn from what is already happening on the continent, where gambling addiction has surged since sports betting was legalized.

As an agency dedicated to advancing gender equity and safeguarding the wellbeing of women and girls in Hawaii, the Commission cannot ignore the social impacts of sports betting and gambling, particularly on vulnerable populations. Online gambling is the most addictive form of gambling, combining smartphone dependency, AI-driven targeting, and 24/7 access into a supercharged system of exploitation run by a multi-billion dollar industry.

I respectfully urge this Committee to **defer HB2570**. Thank you for this opportunity to submit testimony.

JOSH GREEN M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



GARY S. SUGANUMA
DIRECTOR

KRISTEN M.R. SAKAMOTO
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF TAXATION

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**TESTIMONY OF
GARY S. SUGANUMA, DIRECTOR OF TAXATION**

TESTIMONY ON THE FOLLOWING MEASURE:

H.B. No. 2570, Relating to Sports Wagering

BEFORE THE:

House Committee on Economic Development & Technology

DATE: Wednesday, February 11, 2026

TIME: 8:30 a.m.

LOCATION: State Capitol, Room 423

Chair Ilagan, Vice-Chair Hussey, and Members of the Committee:

The Department of Taxation (DOTAX) offers the following comments regarding H.B. 2570 for your consideration.

H.B. 2570 adds a new chapter to the Hawaii Revised Statutes, (HRS), establishing a regulatory framework for sports wagering, along with licensing requirements for sports wagering operators and sports wagering suppliers.

Section 1 of H.B. 2570, beginning on page 29, line 14 imposes the general excise tax (GET) under section 237-13(9), HRS, on persons holding a license to engage in sports wagering as a sports wagering operator. This tax is imposed in lieu of all other taxes on the operation or proceeds of sports wagering in the State. The new taxes collected are to be allocated as follows:

- Two per cent to the University of Hawaii (UH) system for the UH at Manoa athletic department;
- Two per cent to an unspecified Native Hawaiian organization;

- One per cent to the Hawaii Employees Lifeline Program (a Hawaii state AFL-CIO affiliate);
- Ten per cent to the general fund;
- Seven per cent to the “Problem Gambling Prevention and Treatment Special Fund” (PGPTSF) established under section ____ - 12 of the bill; and
- Seven per cent for “programs that support education in the State.”

Section 2 of the bill amends section 237-13, HRS, to adopt the proposed subsection (9) imposing a 15 per cent tax on the “adjusted gross sports wagering receipts” (AGSWR) from licensed sports wagering. AGSWR is defined in Section 1 of the bill (page 1, lines 8-12) as “gross sports wagering receipts less the total of all sums actually paid out as winnings to patrons, including the monetary value of any merchandise or thing of value awarded as a prize, and any applicable taxes, including federal excise tax.”

Section 3 of the bill amends the definition of “contest of chance,” and “gambling” under section 712-1220, HRS, to exempt sports wagering and “fantasy sports contests” authorized under the new HRS chapter in section 1 of the bill. This effectively removes these licensed gambling activities from constituting criminal gambling offenses under HRS 712, Part III.

This measure has an effective date of July 1, 2026.

DOTAX notes that the provision on page 30, lines 3 to 17, and page 31, lines 3 to 5, which allocate a percentage of GET revenue from the sports wagering operator to multiple entities, the general fund, and into the new PGPTSF, would require a fundamental change in the way that DOTAX accounts for and reports on GET revenues. This bill would create administrative difficulties, as DOTAX will need to reconcile the amounts reported from adjusted gross sports wagering receipts with the amounts collected. Discrepancies will arise because the amount of tax collected often does not match the amount of tax reported for various reasons, including errors in payment or reporting or intentional underpayment. Additionally, many taxpayers report multiple categories of business activities on a single GET return. DOTAX therefore requests that the allocation of revenues to the various entities, general fund, and new PGPTSF be replaced with set dollar amount appropriations.

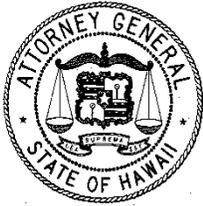
In the alternative, if the Committee intends to maintain the allocations of tax revenues from sports wagering to the various funds, DOTAX recommends that a separate tax be established on sports wagering by adding a new chapter to title 14, HRS. A

separate tax would be less administratively burdensome to separately account for gaming revenues and would avoid potential issues with processing and administering the GET.

Additionally, DOTAX recommends that the new section 237-13(9), HRS, on page 50, lines 4 to 12, be amended to clarify whether the 15 percent rate will be imposed on any amounts received by “sports wagering suppliers.” Section 237-13(9), HRS, states that the 15 percent tax is imposed on a “licensed sports wagering operator or sports wagering supplier,” however, section 237-13(9) then limits the 15 percent rate to “adjusted gross sports wagering receipts.” A “sports wagering supplier,” however, would not be authorized to accept wagers (see page 4, lines 1 to 4), and would therefore not have “adjusted gross sports wagering receipts.”

Finally, DOTAX requests the effective date be amended to January 1, 2028, to allow sufficient time for the adoption of administrative rules, forms, and instruction necessary for the implementation of the new proposed tax. This would also enable DOTAX the time necessary to work with prospective sports wagering operators on ensuring compliance with the tax aspects of this measure.

Thank you for the opportunity to provide comments on this measure.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA
THIRTY-THIRD LEGISLATURE, 2026**

ON THE FOLLOWING MEASURE:

H.B. NO. 2570, RELATING TO SPORTS WAGERING.

BEFORE THE:

HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

DATE: Wednesday, February 11, 2026 **TIME:** 8:30 a.m.

LOCATION: State Capitol, Room 423

TESTIFIER(S): Anne E. Lopez, Attorney General, or
Jordan A. K. Ching, Deputy Attorney General

Chair Ilagan and Members of the Committee:

The Department of the Attorney General (Department) strongly opposes this bill.

This bill would legalize and regulate sports wagering and require the Department of Business, Economic Development, and Tourism to regulate sports wagering in the State. It establishes licensing requirements for sports wagering operators and sports wagering suppliers, and requires certain license applicants to submit a criminal history record check (CHRC), including fingerprint submission for release to law enforcement agencies in the State and the Federal Bureau of Investigation (FBI). The bill also excludes sports wagering and fantasy sports contests from current gambling laws by providing that sports wagering and fantasy sports contests shall not be considered games of chance or gambling. Finally, it imposes a tax on adjusted gross sports wagering receipts.

The Department opposes this bill because legalized gambling is associated with well-studied public health and safety concerns. Although this bill would allow licensed and regulated sports wagering gambling operations, it provides only limited regulation and minimal consequences for unlicensed sports wagering activity. The bill's primary prohibition applies to unlicensed sports wagering by operators and suppliers who are required to be licensed. As drafted, the bill's enforcement and regulatory provisions are largely focused on licensed operators and suppliers, leaving ambiguity as to how

unlicensed or non-traditional sports wagering activity would be effectively regulated and enforced.

The Department is particularly concerned that the bill exempts fantasy sports contests from existing gambling laws without establishing any licensing, regulatory oversight, consumer protections, or enforcement framework for fantasy sports operators. This creates a category of unregulated, real-money wagering activity in the State. Even more troubling, the bill does not impose even basic age restrictions, identity verification requirements, or responsible gambling protections for fantasy sports contests.

Hawaii's gambling laws currently provide an exception for "social gambling" (see section 712-1231, Hawaii Revised Statutes (HRS)), that allows, for example, a typical "poker night" or Super Bowl "betting pool" at a friend or family member's home or social fantasy football with family and friends. If conducted in this manner, "sports wagering," including fantasy sports contests, can already be enjoyed legally by Hawaii residents and the Department has no concerns about such activity. The Department is concerned, however, that once legalized gambling starts to involve large-scale operations, business corporations, or other money-making enterprises, the known risks and societal costs associated with legalized gambling will become real problems for the people of Hawaii on a much larger scale.

If the Legislature decides to advance this bill, despite the Department's opposition, we recommend that it consider the following comments and concerns about specific provisions.

The Department has concerns regarding the CHRC provisions in proposed section 846-2.7(c), HRS, on pages 13-14, and proposed section 846-2.7(b)(52), HRS, on page 66, lines 18–20.

Statutes authorizing states to conduct fingerprint-based criminal history record checks for non-criminal purposes are subject to FBI approval. If this bill is enacted, the Hawaii Criminal Justice Data Center (HCJDC) will be unable to process fingerprint requests for purposes of the bill until the FBI has reviewed and approved the newly

enacted fingerprint provisions in sections 3-3(c) and 846-2.7(b)(52), HRS. The FBI review process may take approximately 18 months.

Additionally, statutes authorizing fingerprint-based CHRCs must clearly define key terms. The FBI will not approve statutes that contain broad or ambiguous language. Section 846-2.7(b)(52), HRS, on page 66, lines 18–20, states that criminal history record checks may be conducted by "The department of business, economic development, and tourism on applicants and licensees pursuant to chapter 3-3." Because "applicants" and "licensees" are not clearly defined, FBI approval of this provision is unlikely.

The Department recommends amending page 66, lines 18-20, to read:

"The department of business, economic development, and tourism on applicants ~~and licensees~~ for sports wagering operator licenses and applicants for sports wagering supplier licenses, pursuant to chapter 3-3."

We also recommend adding the following definition to section 1 of the bill on page 5, line 15: "'Sports wagering supplier' means a sports wagering supplier licensee pursuant to section 3-6."

Proposed section 3-3(c), HRS, requires applicants to submit to a criminal history record check but includes an exception for individuals who have undergone a criminal history record check in the State or another state within the previous twelve months, provided the individual submits the results and affirms no material change in criminal history (page 13, line 17, through page 14, line 12).

The Department opposes this exception. It relies solely on the individual's affirmation that: (1) the individual presenting the criminal history record check is the same individual identified in the record; and (2) there has been no change in the individual's criminal history.

Without independent verification through a current fingerprint check, the State may be exposed to liability for failure to exercise due diligence in applicant vetting. HCJDC recommends deleting this exception.

Finally, the Department strongly recommends that fantasy sports contests not be exempted from existing gambling laws unless the Legislature also establishes a clear

licensing and regulatory framework. As drafted, the bill would legalize real-money fantasy sports contests without any age restrictions, identity verification requirements, consumer protections, or enforcement authority. At minimum, fantasy sports operators should be subject to licensing, mandatory age verification, responsible gaming safeguards, and meaningful civil penalties and violations.

For the foregoing reasons, the Department respectfully states its strong opposition to this bill and requests that it be deferred.

Thank you for the opportunity to testify on this measure.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKĀ'I

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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Wednesday, February 11, 2026
8:30 AM
State Capitol, Conference Room 423

In consideration of
HB2570
RELATING TO SPORTS WAGERING

Chair Ilagan, Vice Chair Hussey and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) respectfully offers comments for HB2570 which allows for the regulation of sports wagering by DBEDT; establishes licensing requirements for sports wagering operators and suppliers, a general excise tax to be levied on sports wagering operator licenses, and the Problem Gambling Prevention and Treatment Special Fund; specifies that legal sports wagering and fantasy sports contests shall not be considered contests of chance or gambling; and authorizes DBEDT to perform criminal history record checks relating to sports wagering.

A regulated sports wagering market could contribute to Hawai'i's economy via job creation, license fees and tax income and enhance tourism and visitor spending, while ensuring that there are robust, responsible gambling safeguards in place with mindful planning and community-sensitive tourism management. While there is opportunity for potential economic benefits, the implementation of a regulated sports wagering market requires careful consideration of regulatory responsibilities.

States with legalized sports wagering operations frequently utilize independent agencies due to legal and law enforcement requirements and expertise, such as gaming

commissions and control boards to manage and regulate the industry. DBEDT is not a regulatory agency, however, if it is determined that the department is the regulatory entity then funding sources and the organization structure will need to be specified.

The Tourism and Gaming Working Group was established with the adoption of SCR 121, SD1, HD1, by the 2025 Legislature. The Working Group was tasked to research gaming experiences and programs of legalized gambling in other states, review gaming legislation that has been considered by the Legislature and other states to determine if any proposal has the potential to be implemented in Hawai'i, and examine how gaming activities may support the work conducted by DBEDT and the Hawai'i Tourism Authority, among other tasks.

DBEDT encourages the committee to consider the forthcoming findings of the Tourism and Gaming Working Group, which will provide comprehensive recommendations to the 2027 Legislature to guide policy decisions.

Thank you for the opportunity to offer comments on this measure.

OFFICE OF INFORMATION PRACTICES

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To: House Committee on Economic Development & Technology

From: Carlotta Amerino, Director

Date: February 11, 2026
State Capitol, Conference Room 423

Re: Testimony on H.B. No. 2570
Relating to Sports Wagering

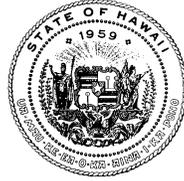
Thank you for the opportunity to submit testimony on this bill, which would legalize sports wagering as authorized by the Department of Business, Economic Development, and Tourism (DBEDT). The Office of Information Practices (OIP) **takes no position on the substance of this bill, but has concerns about the overly broad confidentiality provision** on bill page 8.

Proposed subsection __-2(d) would make “[a]ny information that is submitted, collected, or gathered from an applicant, licensee, or certificate holder pursuant to this chapter that constitutes proprietary, confidential, sensitive, or business information, including but not limited to application materials, background investigations and information submitted in the regular course of operations” confidential and not “subject to disclosure to any third party, unless the request for the information is made by a duly authorized law enforcement agency for legitimate law enforcement purposes, or pursuant to a court order.” This definition is both broad and circular, defining any information that is confidential to be confidential, and covering any and all information. Subsection __-2(d) would not even allow disclosure to other State or county agencies unless the disclosure is to a law

enforcement agency or based on a court order. Therefore, OIP respectfully suggests that subsection __-2(d) is overly broad.

Additionally, subsection __-2(d) contradicts subsection __-3(e), which already addresses confidential information obtained by DBEDT and states that information “supplied to or used by the department in the course of its review or investigation” is confidential to the extent that such information “falls within an exception to public disclosure under chapter 92F.” The Uniform Information Practices Act (Modified) (UIPA), chapter 92F, Hawaii Revised Statutes (HRS), provides an exception to public disclosure for information whose disclosure would frustrate a legitimate government function, which applies to confidential commercial and financial information, as analyzed in numerous OIP opinions. **OIP therefore respectfully recommends removing subsection __-2(d), as confidentiality of information supplied to or used by DBEDT is already addressed by subsection __-3(e). If subsection __-2(d) is kept, OIP respectfully recommends that the confidentiality provision in subsection __-2(d) be amended to reference chapter 92F, e.g. “shall be confidential to the extent it falls within an exception to public disclosure under chapter 92F. . .”**

Thank you for considering OIP’s testimony.



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony COMMENTING on HB 2570
RELATING TO SPORTS WAGERING**

REPRESENTATIVE GREGGOR ILAGAN, CHAIR
REPRESENTATIVE IKAIKA HUSSEY, VICE CHAIR
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY

Hearing Date: Wednesday February 11, 2026 8:30 a.m. Room Number: 423 & Video

1 **Fiscal Implications:** Undetermined.

2 **Department Position:** The Department of Health (DOH) offers comments on this measure.

3 **Department Testimony:** The Adult Mental Health Division (AMHD) provides the following
4 testimony on behalf of the Department.

5 The Department appreciates the opportunity to provide comments on this measure,
6 which would authorize online sports wagering, establish a regulatory and taxation framework,
7 and amend section 237-13, Hawaii Revised Statutes, to clarify the treatment of sports wagering
8 as distinct from games of chance subject to the general excise "privilege" tax.

9 The Department takes no position on gambling as such, and no position on the licensing
10 structures proposed in this bill. Whether gambling should be permitted, and under what
11 conditions, is a policy determination for the Legislature that involves balancing economic,
12 social, and legal considerations beyond the Department's purview. DOH's role is limited to
13 identifying potential public health impacts and commenting on provisions that may mitigate
14 associated risks.

15

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1 **Public Health Considerations**

2 Problem gambling is now recognized as a medical condition. In the *Diagnostic and*
3 *Statistical Manual of Mental Disorders, Fifth Edition (DSM-5)*, the condition formerly referred to
4 as pathological gambling was renamed Gambling Disorder and reclassified under *Substance-*
5 *Related and Addictive Disorders*. This change reflects scientific evidence demonstrating that
6 gambling activates neural reward pathways similar to those involved in substance use
7 disorders.

8 As with substance use, gambling behavior may begin voluntarily but, for some
9 individuals, progresses to a loss of control driven by neurobiological processes. Gambling
10 disorder is therefore appropriately regarded as a psychiatric condition and a public health issue.
11 Symptoms include tolerance, withdrawal-like distress, impaired control, preoccupation,
12 gambling to escape negative mood states, chasing losses, deception, jeopardized relationships
13 or employment, and financial dependence on others.

14 **Prevalence and Potential Impact**

15 National estimates place the lifetime prevalence of gambling disorder at approximately
16 2.2 percent, with a point prevalence of about 1 percent. Hawaii-specific data are limited;
17 however, available information suggests that per-capita gambling participation by Hawaii
18 residents may exceed that of many states. In the absence of state-specific baseline data, DOH
19 assumes that prevalence rates in Hawaii are at least comparable to national estimates.

20 Research examining the impact of legalized sports betting, particularly online wagering,
21 indicates that legalization is generally associated with increased gambling participation and
22 increased incidence of gambling-related harms. While some analyses suggest minimal
23 aggregate effects, other recent studies report substantial increases in gambling expenditures,
24 indicators of irresponsible gambling, and downstream financial consequences such as increased
25 debt burden, delinquencies, and bankruptcies. From a public health perspective, expanded

1 access is expected to increase the absolute number of individuals experiencing gambling-
2 related problems, even though the majority of participants gamble recreationally and without
3 difficulty.

4 **Prevention and Treatment**

5 The Department highlights provisions of the bill that address the public health
6 considerations. DOH agrees with the establishment of a Problem Gambling Prevention and
7 Treatment Special Fund, to be administered by the Department of Health.

8 Section 11(b)(1) directs seven percent (7%) of gambling tax revenues to this special fund
9 for counseling and support services, prevention and treatment programs, and responsible
10 gaming education. At present, Hawaii has minimal dedicated funding and limited treatment
11 infrastructure for gambling disorder. Inclusion of a dedicated funding mechanism is therefore
12 essential to address the foreseeable mental health and social service needs associated with
13 increased gambling activity.

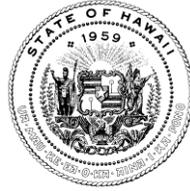
14 DOH also agrees with the inclusion of a voluntary self-exclusion framework, which is a
15 widely recognized harm-reduction strategy in jurisdictions that permit gambling. Self-exclusion
16 programs provide individuals with an evidence-based tool to limit access during periods of
17 impaired control and vulnerability.

18 In summary, the Department does not take a position on whether gambling should be
19 legalized in Hawaii. If the Legislature elects to authorize online sports wagering, DOH
20 emphasizes the importance of including provisions that address prevention and treatment of
21 gambling disorder and protect vulnerable individuals.

22 The Department appreciates the inclusion of dedicated funding for problem gambling
23 prevention and treatment and the establishment of a voluntary self-exclusion framework.

- 1 These components are consistent with public health best practices and help mitigate the
- 2 potential health impacts associated with expanded access to gambling.

- 3 Thank you for the opportunity to provide comments on this measure.



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
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DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Economic Development and Technology
Wednesday, February 11, 2026
8:30 a.m.
Via Videoconference

On the following measure:
H.B. 2570, RELATING TO SPORTS WAGERING

Chair Ilagan and Members of the Committee:

My name is Dominic Jancaterino, and I am an Enforcement Attorney for the Department of Commerce and Consumer Affairs' (Department) Office of Consumer Protection (OCP). The Department opposes this bill.

Hawaii is one of only two states (the other being Utah) that has long imposed an outright ban on legalized gambling. The policies underlying Hawaii's outright ban on legalized gambling include the protection of vulnerable populations; preservation of household financial stability; protection against predatory financial products; and moral and cultural community priorities. H.B. 2570 represents a fundamental reversal of these longstanding policies.

In regards to legalized sports wagering, DraftKings and FanDuel are currently defendants against the City of Baltimore's lawsuit alleging that they engage in unfair and deceptive acts and practices. See *City of Baltimore v. DraftKings, Inc. et al.*, 1:25-cv-01487-SAG (D. Md. Nov. 10, 2025) (Dkt. 48 Order Granting Baltimore's Motion for

Remand). The lawsuit alleges that DraftKings and FanDuel use a two-pronged scheme to harm consumers. First, they use misleading promotions such as so-called “bonus bets” and other tricks to attract new users, designing those promotions to encourage compulsive gambling behavior. Second, they leverage the vast array of data they have about their users, along with sophisticated analytics and personalized inducements, to identify those who suffer from a gambling disorder, and then extract what they can from them.

DraftKings is also a defendant against similar litigation brought by private plaintiffs in Massachusetts alleging violations of consumer protection laws. See *Scanlon et al. v. DraftKings, Inc.*, (Super. Ct. Dec. 8, 2023) (Decision and Order Denying Defendants’ Motion to Dismiss), available at [DraftKings Fails to Dismiss Massachusetts Class Action for Deceptive Marketing - Public Health Advocacy Institute](#). In the state court suit brought by Northeastern University’s Public Health Advocacy Institute, plaintiffs allege DraftKings engaged in deceptive acts or practices when it offered a \$1,000 sign-up bonus. Plaintiffs allege that customers were not aware that to qualify for the \$1,000 sign-up bonus, new customers needed to make an initial deposit of \$5,000, then would need to gamble \$25,000 on certain qualifying bets over a certain time period, and only then would they receive non-withdrawable credits to use on the DraftKings Sportsbook platform. Despite the *Scanlon* lawsuit, DraftKings continues to spend on advertisements that offer promotional bonuses and fine print, giving credence to the allegations that the company seeks to influence new users and maximize the revenue from new users over their life cycle.

The Public Health Advocacy Institute filed a similar lawsuit in Philadelphia, Pennsylvania, seeking to expose and stop an alleged dangerous, misleading, and illegal “deposit match” promotion by Caesars Online Casino and its brick-and-mortar partner Harrah’s Philadelphia Casino. *Brubaker vs Chester Downs and Marina, LLC et al.* (Case ID: 250602325. In the promotion at the heart of the new lawsuit, PHAI alleges that Caesars and its partners are luring new customers with a false and misleading promise of a “\$2,500 deposit match.” Only in the small-print terms and conditions is it disclosed that a new customer playing Blackjack is required to gamble \$375,000 in just the first

seven days after opening an account. In other words, no money or winnings can be withdrawn unless a total of \$375,000 is risked. All money lost during the first 7-day period is kept by Caesars and Harrah's Casino. While this bill attempts to mitigate harms through voluntary exclusion programs; advertising restrictions; monitoring systems; and problem gambling funding, these steps are reactive and not preventative. For example, the bill establishes a voluntary exclusion program that relies on user self-identification, rather than an operator duty of care.

Hawaii has consistently rejected the legalization of sports wagering and other forms of gambling, including a lottery, and rejected regressive wealth transfers represented by legalized gambling.

For the above reasons, we oppose this bill and respectfully ask the Committee to hold this bill.

Thank you for the opportunity to testify on this bill.

**DEPARTMENT OF THE PROSECUTING ATTORNEY
KA 'OIHANA O KA LOIO HO'OPI'I
CITY AND COUNTY OF HONOLULU**

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**THE HONORABLE GREGGOR ILAGAN, CHAIR
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT & TECHNOLOGY
Thirty-Third State Legislature
Regular Session of 2026
State of Hawai'i**

February 11, 2026

RE: H.B. 2570; RELATING TO SPORTS WAGERING.

Chair Ilagan, Vice-Chair Hussey, and members of the House Committee on Economic Development & Technology, my name is Steve Alm and I am the Prosecuting Attorney for the City and County of Honolulu. The Department of the Prosecuting Attorney of the City and County of Honolulu ("Department") submits the following testimony in **strong opposition** of H.B. 2570.

The purpose of H.B. 2570 is to legalize sports wagering. Given the serious public safety and wellness issues that inevitably accompany legalized gambling, the Department is strongly opposed to any legislative changes—such as this one—that would open the door to legalizing gambling in Hawai'i.

Currently, Hawai'i's gambling laws include a substantial exception for "social gambling" (see Section 712-1231, Hawaii Revised Statutes), which allow, for example, a typical "poker night" or Super Bowl "betting pool" at the home of a friend or family member. If conducted in this manner, "sports wagering" can already be enjoyed legally by Hawaii residents, and the Department has no problems with such activity. Once gambling starts to involve large-scale operations, business corporations or other money-making entities, however, the Department is extremely concerned about the known risks and societal costs associated with legalized gambling. Our laws currently list "gambling" within the definitions of "organized crime" and "racketeering" for good reason.

In a study conducted by Brett Hollenbeck, Poet Larsen, and Davide Proserpio¹, researchers examined the effects that legalized sports gambling had on communities after laws were enacted to allow sports wagering. This study found that "...the ease of access to sports gambling is harming consumer financial health by increasing their level of debt." This study

¹ The Financial Consequences of Legalized Sports Gambling; July 2024; https://bretthollenbeck.com/wp-content/uploads/2024/07/hollenbeck_sports_gambling.pdf

found that there was a 25-30% increase in likelihood of bankruptcy filings. The ease of access that H.B. 2570 offers will contribute to an exacerbation of gambling-related financial harm because citizens will be able to place bets "anytime and anywhere". This is in addition to an increase in auto loan delinquency, credit card delinquency, and collections. This is not a policy we want to promote when Hawai'i citizens already live in a place that has one of the highest cost of living.

A recent study conducted by the Rady School of Management found that "...legalization leads to more irresponsible gambling spending among lower-income consumers than among higher-income gamblers."² This study also found that,

"Of the more than 700,000 gamblers that we studied, 96% percent appeared to lose money to online gambling," Wilbur said. "Only 4% made money from online betting. That is by design. Online gambling platforms often ban or throttle frequent winners' accounts. There is no right to gamble."³

In addition to financial issues, legalized sports wagering increases intimate partner violence ("IPV"). Kyutaro Matsuzawa and Emily Arnesen found that "... when sports gambling is legalized, the effect of NFL home team upset losses on IPV increases by around 10 percentage points."⁴ Additionally, their study found that the effect is larger in states where there is mobile betting.

With so many issues facing our state, such as lack of affordable housing, homelessness, drug and alcohol addiction, we should be focused on addressing these real issues that impact our residents instead of bringing in legalized sports wagering and gambling that will exacerbate the problems already facing our community. Is the increase in tax revenue worth the negative impact on the lives of Hawai'i residents?

For all of the foregoing reasons, the Department of the Prosecuting Attorney of the City and County of Honolulu **strongly opposes** the passage of H.B. 2570. Thank you for the opportunity to testify on this matter.

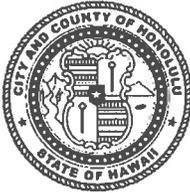
² Legalized Gambling Increases Irresponsible Betting Behavior, Especially Among Low-Income Populations; UC San Diego Today; July 23, 2024; <https://today.ucsd.edu/story/legalized-gambling-increases-irresponsible-betting-behavior-especially-among-low-income-populations>

³ See above.

⁴ Sports Betting Legalization Amplifies Emotional Cues & Intimate Partner Violence; Kyutaro Matsuzawa and Emily Arnesen; August 2024; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=4938642

HONOLULU POLICE DEPARTMENT
KA 'OIHANA MĀKA'I O HONOLULU
CITY AND COUNTY OF HONOLULU

801 SOUTH BERETANIA STREET • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR
MEIA

RADE K. VANIC
INTERIM CHIEF
KAHU MĀKA'I KŪIKAWA

AARON TAKASAKI-YOUNG
RYAN T. NISHIBUN
INTERIM DEPUTY CHIEFS
NĀ HOPE LUNA NUI MĀKA'I KŪIKAWA

OUR REFERENCE JP-HR

February 11, 2026

The Honorable Greggor Ilagan, Chair
and Members
Committee on Economic Development
and Technology
House of Representatives
415 South Beretania Street, Room 423
Honolulu, Hawai'i 96813

Dear Chair Ilagan and Members:

SUBJECT: House Bill No. 2570, Relating to Sports Wagering

I am Jerome A. Pacarro, Major of the Narcotics/Vice Division of the Honolulu Police Department (HPD), City and County of Honolulu.

The HPD opposes House Bill No. 2570, Relating to Sports Wagering.

Our concern is that legalizing gambling activities often correlates with increased organized crime, money laundering, and social issues, as evidenced by studies in jurisdictions with legalized gambling. From a law enforcement perspective, maintaining strong prohibitions on gambling is critical to reducing criminal activity and protecting vulnerable populations.

The HPD urges you to oppose House Bill No. 2570, Relating to Sports Wagering.

Thank you for the opportunity to testify.

APPROVED:

Handwritten signature of Rade K. Vanic in black ink.

Rade K. Vanic
Interim Chief of Police

Sincerely,

Handwritten signature of Jerome A. Pacarro in black ink.

Jerome A. Pacarro, Major
Narcotics/Vice Division



Submitted Online: February 9, 2026

TO: House Committee on Economic Development & Technology
Rep. Greggor Hagan, Chair
Rep. Ikaika Hussey, Vice-Chair

FROM: Eva Andrade, President

RE: Opposition to HB2570 Relating to Sports Wagering

Hawaii Family Forum is a non-profit, nonpartisan, pro-family education organization committed to preserving and strengthening families in Hawai‘i. We respectfully submit testimony in **opposition** to HB 2570.

HB 2570 represents a significant shift in Hawai‘i’s long-standing public policy against gambling. This bill does not merely regulate an existing activity; it creates and normalizes a new gambling industry by legalizing online sports wagering statewide. Hawai‘i has historically rejected gambling because of its well-documented social harms, and this proposal marks a major policy reversal with long-term consequences for families and communities across our state.

The bill authorizes sports wagering exclusively through mobile applications and digital platforms, allowing gambling to occur 24 hours a day, seven days a week, from anywhere in Hawai‘i. Research consistently shows that online gambling is more addictive than in-person gambling because of constant access, instant and in-game betting, isolation, and the absence of natural stopping points. This structure fundamentally undermines claims that gambling can be responsibly managed.

While proponents point to safeguards such as a voluntary exclusion program and advertising restrictions, these measures are largely reactive rather than preventative. They rely on individuals recognizing a problem and self-identifying, often only after addiction has already taken hold. The bill does little to prevent aggressive marketing before harm occurs and fails to adequately address the broader impacts on families, including financial instability, relationship breakdown, and mental health crises. Funding for problem gambling treatment only becomes available after damage has already been done.

HB 2570 also places youth and young adults at increased risk. Although wagering is limited to individuals 21 and older, the bill allows widespread advertising across digital platforms heavily used by young adults and normalizes betting on professional, collegiate, and international sports. Age verification alone does not prevent early exposure, normalization, or peer influence, particularly within households and communities.



HB 2570
Hawaii Family Forum
Page Two

Additionally, the bill prioritizes gambling revenue over public well-being. While tax revenue is often cited as a benefit, only a small portion is directed to problem gambling treatment, and revenue projections routinely fail to account for the true social costs. Gambling revenue disproportionately comes from a small number of high-risk users, creating a system in which the state becomes financially dependent on addiction.

HB 2570 also opens the door to large, out-of-state gambling operators. The bill requires the issuance of multiple sports wagering licenses with substantial fees, effectively favoring mainland corporate interests that extract profits from Hawai'i residents while leaving local families and communities to bear the social costs.

Finally, by redefining gambling in statute and explicitly exempting sports wagering from criminal gambling laws, this bill weakens long-standing protections and lowers the barrier for future gambling expansion. This bill is not an endpoint; it is a gateway.

For these reasons, Hawaii Family Forum respectfully urges the Committee to **oppose HB 2570** and to continue prioritizing policies that protect families, promote public well-being, and preserve the unique values of our state.

Mahalo for the opportunity to submit testimony.

TAX FOUNDATION OF HAWAII

735 Bishop Street, Suite 417

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, GENERAL EXCISE, Sports Wagering with Wagering Tax

BILL NUMBER: HB 2570, SB 3303

INTRODUCED BY: HB by HOLT, KAHALOA, KEOHOKAPU-LEE LOY, MORIKAWA, OLDS; SB by KANUHA

EXECUTIVE SUMMARY: Allows for the regulation of sports wagering by the Department of Business, Economic Development, and Tourism. Establishes licensing requirements for sports wagering operators and sports wagering suppliers. Establishes a general excise tax to be levied on sports wagering operator licenses. Establishes the Problem Gambling Prevention and Treatment Special Fund to be administered and expended by the Department of Health. Specifies that legal sports wagering and fantasy sports contests shall not be considered contests of chance or gambling. Authorizes the Department of Business, Economic Development, and Tourism to perform criminal history record checks on applicants and licensees relating to sports wagering.

SYNOPSIS: Adds a new chapter to the HRS to regulate sports wagering. Section -11 of the new chapter references a tax on the adjusted gross receipts from gaming, which section -1 defines as gross sports wagering receipts less the total of all sums actually paid out as winnings to patrons, including the monetary value of any merchandise or thing of value awarded as a prize, and any applicable taxes, including federal excise tax. The wagering tax is in lieu of all other state taxes imposed on the operation of sports wagering or on the proceeds from the operation of sports wagering in the State. Earmarks the tax as follows:

- (1) Two per cent to the university of Hawaii system to be distributed to the university of Hawaii at Manoa athletic department;
- (2) Two per cent to a Native Hawaiian organization;
- (3) One per cent to the Hawaii Employees Lifeline Program, an affiliate of the Hawaii State AFL-CIO;
- (4) Ten per cent to the general fund;
- (5) Seven per cent shall be deposited into the problem gambling prevention and treatment special fund established under section -12; and
- (6) Seven per cent shall be used for programs that support education in the State.

Amends section 237-13(9), HRS, to impose the GET at the rate of 15% of adjusted gross sports wagering receipts.

Amends section 712-1220, HRS, to exempt such gaming from the penal code.

Amends section 846-2.7, HRS, to allow DBEDT to conduct criminal history record checks of potential licensees.

EFFECTIVE DATE: July 1, 2026.

STAFF COMMENTS: When deciding to legalize gaming, we need to be mindful about the possibility of opening Pandora's box to a degree greater than we may have anticipated.

This possibility arises because of a federal law called the Indian Gaming Regulatory Act, or IGRA, 25 U.S.C. §§ 2701 et seq. President Ronald Reagan signed it into law on October 17, 1988, and, interestingly enough, the primary legislators involved in drafting it were Senator Daniel Inouye of Hawaii, Representative John McCain of Arizona, and Representative Mo Udall of Arizona.

The IGRA allows Indian tribes to conduct gaming operations in a State, even if the State doesn't agree, under certain conditions. Basically, you need to have an Indian tribe, Indian lands, and gambling that is permitted by the State.

We now have neither Indians nor Indian lands here. However, there's nothing to prevent Native Americans headquartered elsewhere from packing their bags and moving here if the opportunity is right. Indian lands usually means a reservation, but it could be any lands over which an Indian tribe exercises governmental power. It is possible for any of the federally recognized Native American tribes from whipping out a checkbook, buying up some land, and then going to the Department of the Interior to invoke a process called "fee-to-trust." That process would result in the tribe acquiring governmental power over the land. See <https://www.doi.gov/ocl/trust-land-acquisition>.

Once those elements are in place, the IGRA says that the State will need to allow casino gaming on tribal lands if it allows casino gaming anywhere else. Those are the rules for what the IGRA calls "Class III gaming." Thus, if this bill passes, casino gaming can be allowed in other locations in Hawaii for Indians on Indian lands.

There will be some temporary hurdles. A tribal ordinance permitting the gaming needs to be approved by the National Indian Gaming Commission, which shouldn't be tough for a tribe that already conducts Class III gaming in another state. Finally, either the state and the tribe need to negotiate a compact, or deal, or the Department of the Interior needs to approve regulatory procedures over the gaming. In other words, if the tribe and the State don't agree to a deal the Department of the Interior can shove one down the State's throat.

And here is the kicker. The IGRA also provides that States are not allowed to levy taxes or fees on tribal gambling, unless specifically allowed in the compact. Thus, not only can an Indian tribe come to Hawaii to conduct casino gambling, but it might be able to conduct the gambling free of State tax. Here, that could be a tremendous competitive advantage over the proposed sports betting, where this bill specifically provides for a 15% tax on adjusted gross gaming revenues.

Re: HB 2570

Page 3

The reason none of this has happened yet in Hawaii is simple. Hawaii has not allowed any form of gambling so far. So, under the IGRA, not even Class II gaming (bingo games and similar) is allowed in Hawaii.

All of that being said, are we in Hawaii ready for Class III gaming and the consequences that may well ensue from them?

Digested: 2/7/2026



February 11, 2026

**Jennifer Anderson
Government Affairs Director
FanDuel Group, Inc.**

Mr. Chair and members of the Committee on Economic Development & Technology, my name is Jennifer Anderson, and I am submitting this written testimony on behalf of FanDuel in support of HB 2570. FanDuel is a mobile sports wagering operator which offers a safe and fun way to wager on sports. FanDuel has become the nation's leading sports wagering operator, and the largest online real-money gaming operator, in the United States. Currently, FanDuel's online Sportsbook is offered in 23 states in addition to Washington D.C. and Puerto Rico.

The legalization of sports wagering is an important policy decision for the State of Hawai'i. House Concurrent Resolution HCR70 HD1, SD1 passed during the 2024 legislative session, requested the Department of Business, Economic Development, and Tourism (DBEDT) convene a Sports Wagering Working Group to conduct an analysis of the potential legalization and regulation of online sports wagering in Hawai'i. In March of 2025, that working group issued a report which details recommendations and key elements of a regulated sports wagering framework for Hawai'i. This was an important step which created a solid foundation upon which to pass HB 2570 which brings us here today.

It is noteworthy that gaming is already happening in Hawai'i, but without the safeguards that are necessary for consumer protection and player health.

Furthermore, due to the immense tourism in Hawai'i, the state stands to benefit from outside dollars for bets placed by tourists when they are in Hawai'i. Not only will legalized sports wagering increase tax revenue for Hawai'i but it is a crucial step in providing safeguards for Hawaiians who currently wager on the illegal market. The creation of a regulated online sports wagering industry, will create the opportunity for Hawai'i to protect consumers, fund resources for the small percentage of people who struggle with problem gambling, and create vital tax revenue for the state.

Without a regulated mobile market, people turn to illegal options for mobile sports wagering. Illegal sites are based outside of the U.S and are often mistaken by the average consumer as a legitimate option for sports wagering. But make no mistake, they offer zero consumer protections. If a customer wins a wager on these illegal sites, there is no way of ensuring that a winning wager will be paid out. Additionally, there is nowhere to report unpaid winnings as a crime; therefore, the fraud will go un-prosecuted. These websites also fail to implement responsible gaming tools which are offered by licensed operators. Tools that allow the customer to set time limits, wager limits, and deposit limits on their wagering are best practices with regulated operators. Additionally, wagers placed through an illegal offshore market represent another loss of potential tax revenue for the state.

Thank you for your time and consideration of this written testimony which highlights the importance and benefits of a legalized online sports wagering market for Hawai'i. FanDuel considers itself a partner to Hawai'i with a shared interest in implementing controls to protect consumers and creating tax revenue for the state in a responsible way.

HB-2570

Submitted on: 2/9/2026 1:28:58 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Brandon Makaawaawa	Nation of Hawai'i	Oppose	In Person

Comments:

Testimony of Brandon Maka'awa'awa
On Behalf of the Nation of Hawai'i
In Opposition to HB2570 - Relating to Sports Wagering

Before the House Committee on Economic Development and Technology

Chair, Vice Chair, and Members of the Committee,

The Nation of Hawai'i respectfully submits testimony in opposition to HB2570.

Hawai'i continues to face economic pressure, and legislators are being asked to consider new sources of revenue at a time when many families are already navigating rising costs of living. These are difficult decisions, and proposals that have the potential to affect households across the state deserve careful consideration, not only for their financial implications but for how they will be experienced within everyday life in our communities. The Nation understands why sports wagering is being discussed but this will not generate the revenue that proponents continue to promise.

Last year, the Legislature convened a working group specifically to evaluate sports wagering. That process included input from stakeholders including mainland operators focused on returning those profits back to their shareholders. While the process contributed useful information, much of the discussion naturally focused on how sports wagering could be implemented rather than whether it serves Hawai'i's long-term interests. The working group ultimately did not reach a recommendation for the State to proceed, and several important

questions remain. The most important was the projected revenues and how this would perform under Hawai'i's unique economic conditions and what the longer-term social impacts of expanded access to wagering may be. As most states have looked at sports betting, it is an amenity to a larger gaming product and while it has generated revenue in large states, Hawai'i is not one of those. Further evaluation is needed to understand how those outcomes would translate locally and whether anticipated benefits align with community priorities.

HB2570 proposes to authorize online sports wagering before those questions have been fully addressed and before the current Tourism and Gaming Working Group has completed its review. Advancing legislation under these circumstances places the cart before the horse. The purpose of the current working group is to allow Hawai'i to review prior findings alongside new information and evaluate gaming policy in a coordinated way rather than moving forward in separate parts.

Sports wagering also presents considerations that differ from other forms of gaming. Because it exists primarily through mobile applications, it does not create a shared place or lasting economic asset. It becomes accessible everywhere and at all times through a phone in every pocket. While this accessibility may increase participation, it does not necessarily create meaningful local employment or long-term economic foundations. This also translates into profits going back to the mainland as opposed to seeing those reinvested into our local communities, something we are familiar with that already occurs with gaming being exported to Las Vegas. These realities deserve thoughtful consideration before authorization moves forward.

From the Nation's perspective, this moment calls for patience and clarity rather than urgency. The lack of recommendation from last year's sports wagering study, together with the ongoing work of the Tourism and Gaming Working Group, should be considered together so recommendations can be made with a full understanding of economic benefit, social impact, and community priorities. Taking the time to do this properly builds public trust and allows decisions to be made with confidence.

For these reasons, the Nation of Hawai'i respectfully urges the Legislature to defer HB2570 until the current working group process has concluded and its recommendations are complete.

The Nation remains committed to participating in this discussion in good faith and to ensuring that any future economic decisions reflect responsible governance, community voice, and care for Hawai'i's people and 'āina.

Mahalo for the opportunity to provide testimony.

Brandon Maka'awa'awa

Vice President, Nation of Hawai'i



The Institute for Human Services, Inc.
Ending the Cycle of Homelessness

TO: Honorable Representative Greggor Ilagan,
Chair, House Committee on Economic Development and Technology

Honorable Representative Ikaika Hussey,
Vice Chair, House Committee on Economic Development and Technology

FROM: Connie Mitchell, Executive Director
IHS, The Institute for Human Services, Inc.

RE: HB 2570 – Relating to Sports Wagering

DATE: February 9, 2026

POSITION: IHS strongly opposes HB 2570

In our experiences serving the homeless population and those at-risk, IHS, The Institute for Human Services, has seen time and again how families' economic challenges have been made worse through gambling. The addictive cycle of gambling makes it all too easy to wager away the limited funds available to vulnerable individuals and families, building increasingly large obstacles to recovery.

Beyond the harm to already homeless people, legalizing gambling would also harm other financially unstable groups. Gambling houses make empty promises of the glory and riches that come with victory, but the reality is that most betters end up losers with their finances drained. Families' limited resources are diverted from paying for food, shelter, and essentials to take a chance that they might improve their lives. Then, as the addictive cycle takes hold and finances become increasingly strained, users are left with stress and anxiety that have negative effects on their physical and mental health.

We all know the old adage "the house always wins," but now is a chance to ask who will lose. Proponents of gambling make it seem like the profits from taxes and regulation will be beneficial, but when these alleged benefits come from losses of our community members, are they even benefits at all? It is hard to imagine that the best solution our government can think of for funding and economic stimulus has to come at the expense of its constituents, all while large corporations are left to profit.

Not passing this bill is a chance to stand up for our community and protect people from gambling companies that look to prey on them.

Mahalo for the opportunity to testify.



HAWAII STATE AFL-CIO

888 Mililani Street, Suite 501 • Honolulu, Hawaii 96813
Telephone: (808) 597-1441 • Fax: (808) 593-2149

February 11, 2026

The Thirty-Third Legislature
The House of Representatives
Committee on Economic Development and Technology

SUBJECT: TESTIMONY IN SUPPORT OF HB2570 - RELATING TO SPORTS WAGERING

Chair Ilagan, Vice Chair Hussey, and members of the committee,

The Hawaii State AFL-CIO is in strong support of HB2570 because it provides a responsible way to strengthen state revenues without asking working families to pay more at the grocery store, at the gas pump, or out of their paychecks.

Sports wagering is readily accessible through illegal and offshore platforms that operate outside state oversight and contribute nothing back to our community. The result is money leaving the state with no public benefit, no accountability, and no support for the services people rely on. HB2570 offers an opportunity to change that dynamic by ensuring revenue generated here is returned to the public and used to support shared priorities.

Hawaii's budget relies heavily on income taxes and the general excise tax, both of which are felt most directly through wages and everyday household spending. Over time, this places added pressure on families already struggling with the high cost of living. Expanding revenue sources beyond these broad-based taxes helps create a fairer and more sustainable system that does not place the burden of funding public services on working people.

In 2024, the Legislature passed the largest income tax cut in state history to help working families cope with Hawaii's high cost of living. That decision acknowledged the financial reality many households face and provided meaningful relief that is still being phased in. More recently, there have been calls to pause or reconsider portions of that tax relief due to uncertainty surrounding federal funding cuts. Creating a new and reliable revenue source is a more responsible approach than taking back relief that families have only just begun to experience.

Respectfully submitted,

A handwritten signature in black ink that reads "Randy Perreira".

Randy Perreira
President
Hawaii State AFL-CIO



**Hawaii House of Representatives
Committee on Economic Development & Technology**

Testimony in Support of HB 2570

February 11, 2026

Chair Ilagan, Vice-Chair Ikaika, and members of the Committee on Economic Development & Technology, thank you for your time today. My name is Sarah Meuli, Government Affairs Manager for DraftKings, and I am here today to provide testimony on behalf of DraftKings in support of HB 2570, relating to sports betting. We appreciate the opportunity to participate in today's hearing—and additional conversations—to discuss the importance of Hawaii embracing a competitive, fully mobile sports wagering market.

DraftKings is a digital sports entertainment and gaming company created to be the Ultimate Host and fuel the competitive spirit of sports fans with products that range across daily fantasy, regulated gaming and digital media. Headquartered in Boston, and launched in 2012, DraftKings' Sportsbook is live with mobile and/or retail sports betting operations in 30 states, District of Columbia, Puerto Rico and Ontario, Canada.

DraftKings supports a sports wagering framework in Hawaii that protects consumers, generates revenue for the state, and stamps out the pervasive illegal market. It is important to recognize that sports wagering is already taking place in Hawaii, with an estimated 276,000 people betting over \$669 million in illegal wagers each year.¹ In 2025 alone, GeoComply conducted 460,000 geolocation checks from Hawaii effectively identifying and blocking potential wagering activity. When those attempts are rejected, Hawaiians are forced to resort to illegal operators to place their bets. Likewise, in the last calendar year, more than 58,000 sportsbooks accounts were identified throughout the Hawaiian Islands. Nearly all the sports wagers in Hawaii are placed online through websites in the robust illegal market, where sophisticated illegal operators capitalize on the popularity of this form of entertainment. Across the country, states are bringing this activity into a legal, regulated market that mandates robust consumer protections. To date, 39 states, District of Columbia and Puerto Rico have legalized sports betting, including 31 states and D.C. offering mobile sports betting, allowing customers to place bets conveniently from their mobile phones and other devices.

1

<https://www.americangaming.org/wp-content/uploads/2018/12/AGA-Oxford-Sports-Betting-Economic-Impact-Report1-1.pdf>



To create an effective legal market, legal operators must be able to compete with pricing from illegal, offshore sportsbooks that do not face the same taxation and regulatory costs. Barriers to market entry, such as high taxes and fees, reduce their ability to offer competitive pricing, effectively market and innovate, all significant factors for consumers when making the decision on where to spend their money.

It is crucial to allow multiple operators to serve the market. A marketplace with multiple choices for consumers will lead to a much better consumer experience that forces operators to innovate, offering new and exciting products to Hawaii, and to compete with one another to provide consumers the best odds. A market with multiple operators increases the overall economic impact that sports wagering has in the state through license fees, advertising, and promotional events. Further, a competitive mobile market provides steady tax revenue.

West Virginia, a state with a similar population to Hawaii, and one of the first states to legalize sports betting, collected more than \$2.8 million in taxes in the first 12 months of legal sports wagering in the state and collected \$4.5 million in 2025, the last full year for which data was available. Note that West Virginia has a 10% tax rate whereas this bill contemplates a 15% for Hawaii. While market maturity takes approximately five years, in our experience, states reach market maturity more quickly than early adopter states did, allowing new jurisdictions to realize tax benefits more quickly.

In a well-regulated market, consumers benefit from a variety of competitive and innovative products, as well as the robust problem gaming resources and consumer protections offered by these regulated companies that are not available in illegal markets.

Regulated operators, like DraftKings and other members of the Sports Betting Alliance, take the issues of underage wagering and problem gaming seriously. At DraftKings, we use “know your customer” technology to ensure underage individuals are not able to create an account, deposit, or wager through our website or application. So much so that last year we blocked 1.4 million people from opening accounts with us thanks to our KYC technology due to identity concerns. When verifying a customer’s identification, a check is conducted using the demographic information including first name, last name, physical address, date of birth, social security number, and geolocation of the customer. The verification process is facilitated using multiple vendors and, only upon successful verification, is the customer able to create an account.

Additionally, for the small segment of the population where additional resources are appropriate to ensure wagering is for entertainment purposes only, we provide safeguards that allow customers to set their own deposit and play limits and to self-exclude from participation should they choose. In 2024, we launched ‘My Stat Sheet’ providing consumers access and transparency to their transaction history including all bets placed, all winnings and losses, and a summary of their play over the last month, three



months, year, and lifetime. We can report meaningful engagement of these tools—in 2025, 52% of our players used responsible gaming tools and we logged 58 million visits to our responsible gaming center.

Finally, as Hawaii considers legal sports wagering in the state, we would suggest that your committee consider bringing regulated daily fantasy sports to your state, as well. While these product offerings are two different forms of entertainment, consumers who use either product would benefit from robust consumer protections and additional opportunities to engage with the sports they love.

Thank you very much for your time today and the opportunity to testify in support of HB 2570.



Representative Greggor Ilagan, Chair
Representative Ikaika Hussey, Vice Chair
Committee on Economic Development and Technology

Wednesday, February 11, 2026; 8:30 a.m.
Conference Room 423 & Videoconference

RE: HB 2570 – Relating to Sports Wagering – In Opposition

Aloha Chair Ilagan, Vice Chair Hussey and Members of the Committee:

Boyd Gaming appreciates the opportunity to provide written testimony in opposition to HB 2570, which would allow for the regulation of sports wagering by the Department of Business, Economic Development and Tourism (DBEDT).

Founded in 1975, Boyd Gaming is now a nationwide gaming company operating 28 casinos and resorts in 12 states, and has a presence in 19 distinct markets including our online presence in online gaming and sports wagering. Our perspective that we are sharing with you today has been shaped by over 50 years of experience in the gaming industry, operating in all facets of gaming including brick-and-mortar casinos, sports wagering, online real money and social gaming, among others.

Our Company has strong ties to Hawai'i, as the state and its residents were a critical component of Boyd's foundational beginnings and continue to be an important part of the Company's success today. Boyd Gaming also owns and operates Vacations Hawaii, which has served over 1.5 million Hawai'i residents with convenient and affordable direct flights to Las Vegas since 1996. Vacations Hawaii is proud to be an established part of Hawai'i's local history, community and economy with employees based in both Hawai'i and in Las Vegas.

While sports wagering is an important component of an overall gaming policy framework, taken alone it is not a significant source of tax revenue and creates few jobs. Many other states in comparable sized markets to Hawai'i that have passed isolated sports wagering legislation have been disappointed in the outcome—tax revenues from online sports wagering are often less than anticipated, and the revenues are usually not sufficient to fund or sustain regulatory and enforcement oversight and a responsible gaming infrastructure, crucial components of any gaming framework.

With no underlying public policy objective, Boyd Gaming believes that HB 2570 is too limited, restrictive and premature. The State would be better suited toward a public policy that can serve as a catalyst of economic activity, employment, investment, and tax revenue.

DBEDT is currently convening the Tourism and Gaming Working Group, which was created via the passage of SCR 121 last session. The Tourism and Gaming Working Group (TGWG) is comprised of legislators and individuals with experience and expertise in various sectors including economic development, tourism, responsible gaming, gaming operations, law enforcement, health care and social welfare, academic research and Native Hawaiian culture, among others. The TGWG is charged with:

- Researching gaming experiences and programs of legalized gambling in other states, including but not limited to revenues generated, costs of administration, preventative education, gambling counseling and treatment, regulation and enforcement;
- Reviewing gaming legislation that has been considered by the Legislature and other states to determine if any proposal has the potential to be implemented in the State;
- Examining the potential for gaming activities at the New Aloha Stadium Entertainment District (NASED) and onboard vessels operated within the exclusive economic zone;
- Developing a comprehensive tourism gaming policy framework that addresses economic growth, job creation, capital investment, tax revenues, and costs associated with administration, regulation, enforcement and social programs to educate, counsel and treat problem gambling; and
- Examining how gaming activities may support the work conducted by DBEDT and Hawaii Tourism Authority

We believe that the TGWG is an appropriate first step for the state and Legislature to take before passing any gaming policy legislation. Given that Hawai'i currently does not have any form of legalized gaming, the state has a unique opportunity to create a comprehensive gaming policy framework that is specifically tailored to Hawai'i's unique culture and tourism economy. The data, information and analysis done by the TGWG will be critical to help shape public policy for the Legislature to consider that will serve as a catalyst of economic growth, job creation, capital investment, and state and local tax revenue. Any gaming policy considered in Hawai'i should be complementary and additive to Hawai'i's existing robust tourism and hospitality industry. However, if done correctly, the main focus of gaming policy should not be solely to authorize gaming, but drive significant private capital investment to build upon and enhance Hawai'i's existing tourism infrastructure while supporting local priorities. The TGWG allows for sufficient time, information and expertise to establish a comprehensive tourism framework for consideration by the Legislature to best position Hawai'i to take advantage of the intersection of tourism, sports, entertainment and gaming.

Boyd Gaming respectfully requests that the Committee defer this measure because of the reasons stated above. Thank you for the opportunity to submit testimony on this measure.



**Hawaii House of Representatives
Committee on Economic Development & Technology**

Testimony in Support of HB 2570

February 11, 2026

Chair Ilagan and members of the House Committee on Economic Development and Technology, thank you for the opportunity to provide testimony in support of HB 2570.

My name is Kathleen (Kate) Owen, and I am an attorney with the law firm Orrick, Herrington & Sutcliffe. I represent the Sports Betting Alliance (“SBA”), and I am submitting this testimony on their behalf. The SBA is a trade organization comprised of five of the nation’s leading sports betting operators—Bet365, BetMGM, DraftKings, Fanatics, and FanDuel. As industry leaders, SBA companies take seriously their obligation to responsibly offer sports betting as a form of entertainment, and they implement rigorous safeguards to ensure consumer protections and adherence to applicable laws and regulations. Taken together, our membership is active in nearly all of the 33 U.S. jurisdictions¹ with legal online sports betting.

Nearly four-fifths of the states now offer some form of sports betting, which is a remarkable development since sports betting was restricted to only a handful of states prior to 2018. However, the rapid adoption of sports betting by state legislatures since the Supreme Court struck down that restriction comes as no surprise. Allow me to highlight three reasons why.

First, there is a robust illegal sports betting market that thrives in the absence of a legal, regulated framework. The American Gaming Association estimated in 2025 that Americans wager \$84 billion dollars each year in the illegal sports betting market²—which works out to over \$680 million wagered in Hawaii alone³, an increase of more than 140% since 2022.⁴ This money

¹ Thirty-one states plus the District of Columbia and Puerto Rico.

² *Sizing the Illegal and Unregulated Gaming Markets in the United States*, American Gaming Association, August 2025. Available at <https://www.americangaming.org/wp-content/uploads/2025/08/Illegal-Market-Research-Report.pdf>

³ Based on the American Gaming Association’s 2025 study of the national illegal sports betting market, Hawaii’s projected illegal sports betting handle was estimated by calculating Hawaii’s share of the U.S. 21+ population and applying that percentage to the national projected illegal handle total, adjusting for income.

⁴ *Sizing the Illegal and Unregulated Gaming Markets in the United States*, American Gaming Association, November 2022. Available at <https://www.americangaming.org/wp-content/uploads/2022/11/Sizing-the-Illegal-and-Unregulated-Gaming-Markets-in-the-US.pdf>

is being wagered with offshore websites and illegal bookies with no oversight, consumer protections, or revenue generated for the state. The illegal and unregulated market continues to grow around the country in states without a legal alternative, and Hawaii is no exception.

This is a staggering figure—but the upside is that time and again, consumers have demonstrated that they would much prefer a legal market to unregulated markets if given the chance. According to data from GeoComply, a leader in geolocation intelligence, over the course of 2025, 58,000 mobile sports betting accounts present in Hawaii attempted to access mobile sports books that are legal in other states a total of 460,000 times—and they were blocked by GeoComply’s technology. This was an increase of 47% from the prior year.

Second, sports wagering is offered safely and responsibly by reputable operators in jurisdictions where it is legal. These operators implement robust measures with regard to identity verification, consumer protection, responsible gaming, and game integrity that are not present in the illegal market.

Third and finally, states stand to generate significant revenue by putting a regulatory framework in place around this activity. By channeling this activity into the legal market and building a robust and responsible market for sports betting, Hawaii stands to gain millions per year in additional tax revenue. In addition to Hawaii residents, Hawaii welcomes approximately 10 million tourists each year, which will create additional tax revenue potential.

A regulated, competitive mobile sports betting market would replace the predatory, illegal platforms and bookies already operating in Hawaii and generate new revenue for the state through a policy that has the support of constituents. According to a 2022 poll conducted by Anthology Research, 73% of Hawaii residents support legalizing and regulating online sports wagering in Hawaii for adults 21 years of age or older to generate annual tax revenue.⁵

It is also important to highlight that despite purported studies and news stories to the contrary, the reality is that approximately 97% of individuals gamble responsibly. The vast majority of participants view sports betting as a form of entertainment that enhances their sports viewing experience. And the experts have reached the same conclusion. For example, the National Council on Problem Gambling (NCPG) has found that severe problem gambling affects only an estimated 1% of the population nationwide.⁶ Two states studied their own problem gambling rates after they legalized sports betting and found them to be consistent with those nationwide rates.⁷ One of the states concluded that “[c]onsidering that legal gambling availability has continued to increase both in [the state] and North America more generally beyond the early

⁵ Specifically, the Anthology Research survey inquired whether participants support this legalization “to generate annual tax revenue which can be used to improve Hawaii schools and to fund other critical priorities for the islands.”

⁶ FAQs: *What is Problem Gambling?*, The National Council on Problem Gaming. Available at <https://www.ncpgambling.org/help-treatment/faqs-what-is-problem-gambling/>

⁷ Connecticut found a problem gaming rate of 1.9% and Indiana a rate of between 1.3-2.3%. *Study: Connecticut Problem Gambling Declines Over Past Three Decades*, SBC Americas, February 22, 2024. Available at <https://sbcamericas.com/2024/02/22/connecticut-study-gambling-residents/>

2000s, the present fairly low rate of problem gambling illustrates that populations tend to adapt to the presence of legalized gambling over time.”⁸

In their February 12, 2025 testimony in Hawaii on a bill to legalize online sports betting, the NCPG advised that an estimated 2.2% percent of the adult population in Hawaii currently struggles with problem gaming, which is consistent with the relatively static national average as well as the rates found in legal sports betting states, despite the fact that gambling is not legal in Hawaii. This means that the individuals in Hawaii who are currently struggling are doing so in the dangerous illegal market. HB 2570 however, includes extensive problem gaming provisions and consumer protections, including a provision requiring a percentage of taxes collected to be deposited into a problem gambling prevention and treatment fund, which will be a benefit to all residents of Hawaii. Additionally, the bill requires that all operators be required to conspicuously display in all advertising for sports wagering the availability of a toll-free helpline, which spreads the message that this resource is open to everyone who needs help.

There have also been allegations that sports betting leads to more violent crime. This is simply not based in fact. We can point to several states, including Arizona, Connecticut, Delaware, Illinois, and New Jersey, that have experienced a *decrease* in violent crime after legal sports betting launched. In fact, based on FBI data, nine out of the ten states with the lowest rate of violent crime have legal and regulated sports betting.⁹

Opponents of legal sports betting have also cited a study finding that unexpected game losses by the home team on a Sunday increase intimate partner violence (“IPV”) more in states where sports betting is legal than in states where sports betting is not legal. But this study suffers from numerous flaws, including the fact that the authors’ reported increase from the baseline is so small and statistically insignificant that it could be driven by randomness and coincidence—showing a purported change in IPV from 4.17 per 1 million people up to 4.21 per 1 million people. This suggests that the study shows minimal correlation at best but certainly not causation between sports betting and violence—the study does not even analyze whether the individuals involved in IPV had placed bets.

Similarly, the assertion that sports betting leads to higher rates of bankruptcies and other markers of financial distress is not based on a sound empirical foundation. Opponents have cited population or state-level surveys that, just like the IPV study, try to ascribe correlation to causation. Notably, these studies—purporting to show higher credit card delinquencies, lower savings, or higher rates of bankruptcy—fail to test or control for external variables and larger macroeconomic factors driving such results, including inflationary and other cost pressures. For example, it is important to note that the timing of legalization of sports betting in many states coincided with the COVID-19 pandemic. Thus, changes in behavior and personal finances

⁸ *Adult Gambling Behaviors in Indiana 2022*, Prevention Insights at the Indiana University School of Public Health, 2022. Available at https://jgap.indiana.edu/documents/2022_adult_gambling_behaviors_in_indiana.pdf

⁹ The other state in the top ten is Hawaii. *Low Violent Crime*, US News & World Report, accessed on Feb. 9, 2026. Available at https://www.usnews.com/news/best-states/rankings/crime-and-corrections/public-safety/violent-crime-rate#google_vignetteThe

during COVID may be correlated with the timing of the launch of sports betting, leading to biased or overstated results. Critically, none of them determine whether the additional individuals or households that experienced financial distress ever participated in online sports betting—leaving any connection to sports betting speculative and tenuous at most.

The authorization of the legal market removes the stigma that some may feel when struggling with problem gambling in the illegal market and opens an invaluable door for those who need help.¹⁰ While it is true that call-center traffic often increases when online sports betting is legalized, regulators and experts have cautioned that this does not necessarily correlate to an increase in problem-gaming cases. Rather, many calls are coming in from people seeking information such as winning lottery numbers (in states where the lottery is legal), technology help with apps, or customer service, rather than treatment. The Executive Director of the NCPG has called call volume a “fairly weak predictor of gambling addiction.” The above findings are consistent with rates observed across the U.S., suggesting there is no evidence of a significant increase in problem gambling as a result of legalization.

We thank the members of the legislature for engaging with us on a robust and productive dialogue around creating a sports wagering framework that fits the unique needs of the state of Hawaii. As part of this dialogue, following the passage of House Concurrent Resolution HCR 70, HD1, SD1 (2024), our SBA member companies BetMGM and DraftKings actively participated on the Sports Wagering Working Group convened by the Department of Business, Economic Development, and Tourism (DBEDT). This Working Group concluded with a final report that was submitted to the legislature before the end of the 2025 session.

Finally, the SBA respectfully requests the following clarifying amendments be made to the bill:

- On Page 5, Lines 13-14, update the definition of “Sports wagering operator” to read **“means a qualified gaming entity that holds a valid sports wagering operator license pursuant to section 5.”**
 - The purpose of this request is to clarify the definition by incorporating the defined term “qualified gaming entity.”
- On Page 7, Lines 20-21 and Page 8, Lines 1-3, update Section 2(c) to read: **“The department may conduct periodic verification that sports wagering operators are properly calculating taxes and have adequate reserves to pay out any winnings.”**
 - The purpose of this request is to clarify the provision by using the defined term “sports wagering operator.”

¹⁰ The increased visibility of the 1-800-GAMBLER number (or equivalent) that accompanies the entrance of the legal market allows for people whose addiction predates legalization to engage with it, and it can also serve as a resource for people whose gambling problems have nothing to do with sports betting. Robert Williams, Executive Director of the New York State Gaming Commission, emphasized in his 2023 testimony before the New York Senate that the “advertising by mobile sports wagering companies has resulted in unprecedented exposure for the HOPEline and I am encouraged that people are using it.” *Joint Public Hearing, Mobile Sports Betting in New York: A First Year Review & Its Budget Impact*, January 31, 2023. Available at https://www.nysenate.gov/sites/default/files/robert_williams_testimony.pdf

- On Page 9, Lines 12-13, update Section 2(f) to read: “The department shall adopt rules pursuant to chapter 91, which shall be consistent, to the extent commercially reasonable and practicable, with sports betting rules adopted in other jurisdictions, to effectuate the purposes of this chapter. Such rules should include, but not be limited to:”
 - The purpose of this request is for a minor correction. This language is intended to be set forth here and not before the section covering emergency rules (see below).
- On Page 10, Lines 19-21 and Page 11, Lines 1-2, update Section 2(g) to read: “The department may adopt emergency rules pursuant to the requirements of chapter 91; provided that:”
 - The purpose of this request is for a minor correction. This section is intended to cover emergency rule making only, if needed.
- On Page 30, Lines 3-4, delete “on the total adjusted gross sports wagering receipts shall be allocated as follows,” and replace this language with “shall be allocated by applying the following percentages to the total adjusted gross sports wagering receipts.”
 - The purpose of this request is to clarify that the allocations to the University of Hawaii, a Native Hawaiian organization, the Hawaii Employees Lifeline Program, and the General Fund are to be calculated from the total adjusted gross sports wagering receipts.
- On Page 30, Line 12, update section 4(b) to read “Of all taxes collected pursuant to section 11(a)(4):”
 - The purpose of this request is to clarify that the seven percent that shall be deposited to the problem gambling prevention and treatment special fund and the seven percent for the programs that support education shall be deduced from the tax revenue allocated to the general fund.

The SBA supports HB 2570 and the framework that it would establish to regulate sports betting in Hawaii. Thank you again for the opportunity to testify.



**Hawaii House of Representatives
Committee on Economic Development & Technology
Testimony in Support of HB 2570
February 11, 2026**

Dear Chair Ilagan and Members of the Committee:

My name is Jeremy Limun, Executive Director of Government Affairs, representing BetMGM, a top online sports betting company with active operations in 30 markets across North America. BetMGM appreciates the opportunity to provide testimony in support of HB 2570.

HB 2570, if adopted, would create a licensed, controlled, and regulated sports betting industry in the state of Hawaii. Under the bill, sports wagering operators would be required to undergo background investigation; pay license fees to ensure the administration and regulation of Hawaii sports betting is cost-neutral to the state; and more importantly pay gross sports betting tax revenues. Part of those tax proceeds would be deposited into a problem gambling prevention and treatment special fund.

***HB 2570 Would Generate Taxes for Hawaii; Protect Consumers; and
Provide Hawaii Residents A Legal, Regulated Alternative to an Existing
Illegal Sports Betting Industry.***

As you know, sports betting has been legalized in 38 states plus the District of Columbia, of which 32 have legalized online sports betting. Each of those jurisdictions has created a legal industry that acts as an alternative to the illegal and unregulated industry that **are not** subject to state licensure, control or regulation; **do not** invest in responsible gambling; **are not** subject to state consumer protection or anti-money laundering requirements; and **do not** pay gross sports betting taxes to the state.

The reality is that sports betting – a highly popular activity – already is happening in Hawaii today, but state residents currently lack any legal and safe alternative to the highly entrenched illegal and unregulated sports betting industry. This illicit market is pervasive and continues to flourish across all mediums – in person, over the Internet, and through sophisticated mobile applications – in states that have not legalized sports betting, including Hawaii. Indeed, top illegal offshore sports books like Stake and Bovada received about the same amount of traffic in the United States as legal operators, but most of that traffic is coming from states where sports betting is still illegal.

Additionally, there is also a growing presence of online “social sports books and sweepstakes.” Readily available on major online stores for download, including in Hawaii, most of these illegal platforms are offshore with headquarters in Cyprus, Malta and Gibraltar; take advantage of legal loopholes around sweepstakes; and provide customers the ability to wager on sports. While advertised as “social sports books,” these platforms are anything but and run multi-million-dollar

marketing campaigns, including through social media and celebrity influencers, that often target teens and young people.

This illicit industry in recent years has grown at an astonishing rate. More than a million Americans play each month, and the games drew nearly \$6 billion in player purchases, including \$1.9 billion in net revenue, in 2023. This year, the industry expects to see \$11.4 billion in player purchases and \$4 billion in net revenue.

Furthermore, U.S.-based prediction market platforms, such as Kalshi or Polymarket – which had allowed bettors to make wagers on U.S. elections, have also entered sports betting, allowing users to place bets in all 50 states, including on the most recent Super Bowl. Just like Stake, Bovada, and many other illegal operators, Kalshi takes sports bets from Hawaii residents.

*Exhibit 1: The terms and conditions of Bovada and Stake (a sweepstakes-based sports betting platform) make clear that these sites do not block wagers made from Hawaii and many other states – **Stake even explicitly indicates that they accept wagers from Hawaii**. Please note also that virtually all the states blocked by Bovada and Stake are states **that have a legal and regulated framework for sports betting**.*

The screenshot shows the Bovada website's help center. At the top, there are navigation links for 'SPORTS', 'CASINO', 'LIVE DEALER', 'POKER', and 'HORSES'. Below this is a search bar with the text 'Search in Help' and a magnifying glass icon. The main heading is 'Bovada Help Center' with the sub-heading 'How Can We Help?'. The section 'Which Countries are Restricted?' is highlighted. It states: 'Bovada remains open to United States residents, except for those living in the following states:'. A bulleted list follows, listing 17 states: Arizona, Colorado, Connecticut, Delaware, District of Columbia, Kansas, Louisiana, Maryland, Massachusetts, Michigan, Nevada, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Tennessee, Washington DC, and West Virginia. At the bottom, a note says: 'Should you reside in a restricted state and still retain an account balance, please contact Customer Service for more information or to arrange a cryptocurrency withdrawal.'

The screenshot shows the Stake website's terms and conditions page. At the top, there are 'Sign in' and 'Register' buttons. The section '2. STAKE STATEMENT' is highlighted. Sub-section '2.1. The following are "Excluded Territories":' lists the following:

- a) Any country other than the continental United States of America and Hawaii ("US");
- b) Within the US the following States are excluded:
 - i. WASHINGTON
 - ii. NEW YORK
 - iii. NEVADA
 - iv. IDAHO
 - v. KENTUCKY
 - vi. MICHIGAN
 - vii. VERMONT
 - viii. NEW JERSEY
 - ix. DELAWARE
 - x. WEST VIRGINIA
 - xi. PENNSYLVANIA
 - xii. RHODE ISLAND
 - xiii. Any other states or jurisdictions which, under the laws applicable to you, are legally precluded from playing the Games offered on the Platform, and any other jurisdiction Stake excludes, in its sole discretion, from time to time.

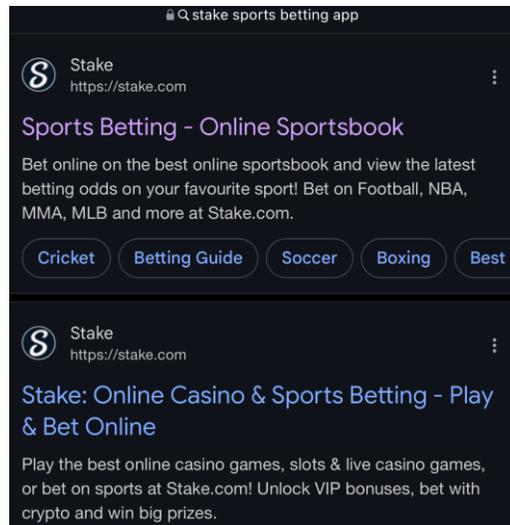
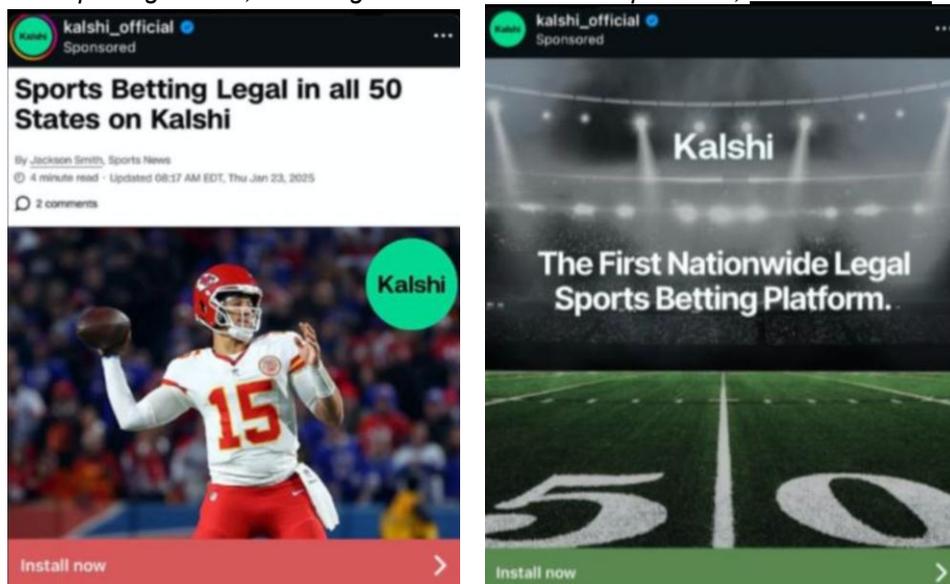


Exhibit 2: Prediction market platforms Kalshi advertises itself as a sports betting platform that takes bets on sporting events, including on the most recent Super Bowl, **in all 50 states**.



Yet, despite their rapid proliferation the illegal and gray-market online sports betting industry, including this latest crop of prediction markets and online sweepstakes, is not subject to any state gross sports betting tax; does not offer any meaningful responsible gambling tools; and does not employ sophisticated know-your-customer (KYC), identity- or age-verification processes – to the contrary, many of these platforms allow prospective customers to simply check a box and self-certify that they are of gambling age.

Opponents of sports betting legalization have asserted, without any empirical basis, that legalized sports betting leads to higher rates of violent crime. Opponents also have cited misleading studies asserting, again without any empirical basis as to causation, that legalized sports betting *causes and leads* to various social ills, including increases in bankruptcies and even domestic violence.

First, it is important to note that, as stated, 39 U.S. jurisdictions have legalized sports betting, of which 32 have authorized online sports betting. None of those states have repealed their sports betting statutes – to the contrary, these states continue to generate sports betting tax revenues; provide their residents a legal and safe alternative; and refuse to go back to a time when they ceded the sports betting market to unlicensed and illegal operators that did not provide their consumers any protections nor safeguards.

Finally, the studies cited by the opponents of sports betting legalization miss one essential point – as outlined above, **illegal and gray-market online sports betting is already happening**. The purpose of legalizing and regulating this activity is to ensure the state has dedicated funding to address problem gambling harms and can require operators to invest and conduct responsible gambling programs, including self-exclusion lists; offer deposit, wager, and time self-limits; as well as message responsible gambling interventions to patrons who may be exhibiting certain markers of harm.

The National Council on Problem Gambling (NCPG) [has indicated](#) that most individuals are able to gamble in a fun and responsible manner and that only a very small percentage of the population (around 1 to 3 percent) suffer from a spectrum of gambling disorder. This explains why regulated sports betting platforms and policymakers are focused on getting problem gambling treatment assistance and resources to this small percentage of patrons. The regulatory approach and online tools employed by legal operators can help better identify patrons who need help, rather than pushing them toward illegal bookies or illegal apps whose servers are often housed overseas.

Again, thank you very much for this opportunity and I welcome any questions you may have on this important and timely topic.



**Testimony of Les Bernal, National Director of Stop Predatory Gambling,
in Opposition to HB2570 Authorizing Predatory Gambling Online in Hawaii**

Hawaii House Committee on Economic Development & Technology
February 11, 2026

Dear Chair Ilagan and Committee Members:

I am testifying on behalf of our Hawaii members of Stop Predatory Gambling, a national nonprofit organization with members in all 50 states whose mission is to reveal the truth behind commercialized gambling to advocate for those who have suffered harm, to prevent more victims, and to champion policy reforms that stop *predatory* gambling.

We are writing in strong opposition to HB2570 that would unleash predatory gambling online across Hawaii and urge you to vote No.

There is no single act of state government in the United States that inflicts more harm to the financial, mental, and social well-being of the American people than the institution of predatory gambling. There are many reasons why that's the case. Our testimony will focus on four of them.

1) Authorizing online gambling will dramatically worsen Hawaii's affordability for tens of thousands of your constituents.

In Hawaii and across the country, public officials from both parties have put the serious problem of affordability near the top of the political agenda. Yet at the same time, some politicians and gambling industry lobbyists are pushing hard to bring in online gambling and other forms of commercialized gambling into Hawaii, a policy proposal that has proven itself to ***dramatically worsen*** the problem of affordability.

The Washington Post's Danny Funt in his new book *Everybody Loses* reported that "only one bettor out of a hundred profits in the long run."¹

This is just one of the mountain of facts from other states demonstrating that allowing online gambling in Hawaii will unquestionably inflict severe harm upon the financial well-being of tens of thousands of families across the state. No one needs to speculate about what the toll of predatory gambling will be in Hawaii. Simply look at the massive financial losses that Americans on the mainland are already suffering to predatory gambling:

- ***Americans on the mainland are on a course to lose almost \$1 trillion of their personal wealth to regional casinos, commercialized sports gambling, state lotteries, and video gambling machine venues combined over the next five years.***²
- ***Americans on the mainland lost more than \$150 billion in personal wealth to predatory gambling in 2025.***³
- ***Americans on the mainland are losing almost \$300,000 of personal wealth every minute to predatory gambling.***

The people of Hawaii have largely been spared these massive, life-changing financial losses because of the foresight and wisdom of prior Hawaii legislatures and governors.

- 2) ***The amount of illegal gambling has increased since states introduced online gambling, the complete opposite of what gambling operators claimed would happen, and Hawaii will experience the exact same result if it authorizes online gambling.***

¹ *Everybody Loses*, By Danny Funt, 2026. Pg. 120. <https://www.simonandschuster.com/books/Everybody-Loses/Danny-Funt/9781668062029>

² H2 Gambling Capital, 2026. [h2gc.com](https://www.h2gc.com)

³ H2 Gambling Capital, 2025. [h2gc.com](https://www.h2gc.com)

The Sunday New York Times's series on the national lobbying campaign to push online gambling revealed that the American Gambling Association (AGA) orchestrated the phony “They’re already doing it”/“We’ll reduce illegal gambling” narrative as a multimillion dollar national public relations campaign to create a fake sense of momentum for online gambling.⁴

Yet at the same time it was peddling its “We’ll reduce illegal gambling” fiction to state legislatures across the US, the AGA wrote a 2022 letter to then US Attorney General Merrick Garland calling on him to take action against the growing problem of illegal online gambling, ***four years after legalization began!*** In the AGA’s *own words* to AG Garland:

- “A vast illegal sports betting market continues to exist through offshore websites, which have established well-known brands—such as Bovada, MyBookie and BetOnline—that operate with a high degree of visibility and are readily accessible to every American with a smart phone or Internet connection. These illegal sites also enjoy many competitive advantages that allow them to offer better odds and promotions...”⁵
- “52 percent of gamblers continue to utilize illegal bookmakers.”⁶
- “Internet searches for illegal betting sites increased by 38% last year, faster than the rate of searches for legal betting sites.”⁷

⁴ “A Risky Wager: Key Findings From The Times’ Investigation of Sports Betting,” *The Sunday New York Times*, Nov, 20, 2022. Pg. 1. <https://www.nytimes.com/2022/11/20/business/sports-betting-investigation.html>

⁵ American Gambling Association Letter to US Attorney General Merrick Garland, April 13, 2022: https://www.americangaming.org/wp-content/uploads/2022/04/AGA_DoIllegalGambling-4.13.22.pdf

⁶ *Ibid.*

⁷ *Ibid.*

- “Searches for offshore online gambling brands represented a majority of all sportsbook searches.”⁸

The facts coming in from the states themselves further demonstrate this truth: according to a study commissioned by the Massachusetts Gambling Commission, the state where DraftKings is headquartered, **citizens who use illegal sports books in Massachusetts jumped from 4 percent in 2022 to 18 percent in 2023, after sports betting was legalized.**⁹

It is also important to highlight that the figures promoted by gambling industry lobbyists about the alleged problem of “illegal gambling” occurring in Hawaii *are not* coming from an independent source. Gambling lobbyists are not citing data produced by the FBI or the Hawaii Department of Law Enforcement. The source of their numbers are gambling industry trade groups and gambling consultants, entities that have a strong financial interest in commercialized gambling bills being pushed through the Hawaii Legislature. That’s why this committee does not have written testimony from the FBI supporting the legalization of online gambling in the name of “reducing illegal gambling.”

3) The lobbying push for online sports gambling in Hawaii is *really* about legalizing internet casino gambling on every device with an internet connection across the state, evidenced by the reality that the same companies lobbying for sports gambling in Hawaii are at this very same moment also lobbying for internet casinos in states across the country.

At this very moment, online gambling operators are aggressively lobbying in multiple states *for the legalization of internet casino gambling*. While sports gambling is

⁸ American Gambling Association Letter to US Attorney General Merrick Garland, April 13, 2022: https://www.americangaming.org/wp-content/uploads/2022/04/AGA_DoJIlegalGambling-4.13.22.pdf

⁹ “Addiction in mind, Mass Gambling officials mull stricter advertising regulations,” *Commonwealth Magazine*, June 24, 2024 <https://commonwealthbeacon.org/gambling/addiction-in-mind-mass-gaming-officials-mull-stricter-advertising-regulations/>

profitable for these online gambling operators, the online sports gambling apps serve primarily as a customer acquisition vehicle with the aim of building large databases of citizens who gamble online. If the online gambling operators prevail in getting internet casinos legalized, they then use their powerful marketing programs to lure citizens to leave the online sports book and go to the online casino, which is where the real profits lie. Presently, the gambling industry has passed internet casino gambling in eight states.

4) The same companies that are lobbying for sports gambling in Hawaii are in the prediction market business with the specific intent of flagrantly violating state laws involving commercialized gambling.

Why would any state legislator support partnering with gambling companies who are already violating your own state laws? If they're already violating your state laws before being legalized here, why would anybody expect them to follow any regulations put upon them by the State of Hawaii if HB2570 were to be passed?

There is no citizens grassroots movement for online gambling, "prediction markets," or any other form of commercialized gambling in Hawaii or in any other state. The lobbying effort for commercialized gambling operators is driven by the greed of powerful financial interests who stand to reap hundreds of millions of dollars in profits at the expense of your constituents.

Conclusion

Over the last forty years, the citizens of Hawaii have experienced better economic mobility out of poverty, more stable families, less addiction, less domestic violence, stronger communities, less state budget problems, and lower taxes because state officials said No to predatory gambling. The rest of America needs to become more like Hawaii, not the other way around. Defeating HB2570 keeps Hawaii on its same course.

Thank you for your serious consideration of the facts presented in our testimony. If you need further information about this issue, I invite you and your staff to please contact me by email mail@stoppredatorygambling.org or phone (202) 567-6996.

Thank you for your work.

Sincerely,

A handwritten signature in blue ink that reads "Les Bernal". The signature is written in a cursive, flowing style.

Les Bernal, National Director
Stop Predatory Gambling



HAWAII GOVERNMENT EMPLOYEES ASSOCIATION
AFSCME Local 152, AFL-CIO

RANDY PERREIRA, Executive Director • Tel: 808.543.0011 • Fax: 808.528.0922

The Thirty-Third Legislature, State of Hawaii
The House of Representatives
Committee on Economic Development

Testimony by
Hawaii Government Employees Association

February 11, 2026

H.B. 2570 — RELATING TO SPORTS WAGERING

The Hawaii Government Employees Association, AFSCME Local 152, AFL-CIO supports H.B. 2570, which allows for the regulation of sports wagering by the Department of Business, Economic Development, and Tourism.

Given the changes in federal policy, it is crucial that we explore alternative revenue generators so that our state and nonprofits can continue to provide core services that working families depend on. While some may express reservations about considering the passage of gaming legislation, the reality is that online sports wagering is present and prevalent in Hawaii, with no realistic way to enforce current law prohibiting such platforms. In addition, there is no material benefit to our state as all revenue generated from such entities are exported offshore.

Along with the revenue that would be paid to the State, this measure dedicates a portion of revenue back into the Hawaii community. It seems practical to consider such a measure, in that it would at least capture some of the revenue generated for our State general fund as well as other local charitable ventures.

Thank you for the opportunity to provide testimony in support of H.B. 2570.

Respectfully submitted,

Randy Perreira
Executive Director



**Written Statement of Cole Wogoman
Director, Government Relations
National Council on Problem Gambling**

**Hawaii House and Senate Committees
HB 2570 and SB 3303
February 10, 2026**

Dear Members of the Hawaii Legislature:

I write on behalf of the National Council on Problem Gambling (NCPG), the sole national advocate for those suffering from a gambling problem and their loved ones, to suggest two changes to HB 2570 and SB 3303, bills currently being considered that would legalize sports betting in the state of Hawaii. NCPG's mission is to lead state and national stakeholders in the development of comprehensive policy and programs for all those affected by problem gambling. Our vision is to improve health and wellness by reducing the personal, social, and economic costs of problem gambling. NCPG is neither for nor against legalized gambling.

Before explaining the two requested changes, I want to note that NCPG strongly supports the provisions of the bills that include the creation of the Problem Gambling Prevention and Treatment Special Fund ("the Fund") and the provisions that devote tax revenue to the fund. It is imperative that any bill that legalizes a new form of gambling dedicates a percentage of tax revenue to prevention and treatment of gambling problems. These bills accomplish that and NCPG urges lawmakers not to dilute those provisions.

The first recommended change in the bills is for research into problem gambling in the state to be mandated every 1-3 years. NCPG recommends that all states that legalize sports betting allow qualified universities to research gambling addiction prevalence rates within the state. This research gives policymakers the information necessary to learn how gambling addiction rates are changing in the state, and which populations may need additional focus and resources to prevent and treat problems. One option to fund such research would be to add it as an allowable use of the monies in the Fund. A small tweak to the bill could easily add an additional permissible use for monies in the Fund, explicitly allowing the state to commission research into gambling prevalence rates and prevention strategies. Another acceptable method to fund research would be to require licensed operators to pay for it. In New Jersey for example, the law requires the costs



associated with research reports examining problem gambling to be borne by the licensed operators.¹

The second recommended change in the bills is to update the National Problem Gambling Helpline™ number. The bills currently lists the required number in advertisements as 1-800-GAMBLER. As of January 2026, the new National Problem Gambling Helpline™ number is 1-800-MY-RESET. 1-800-MY-RESET offers a neutral, non-stigmatizing, and user-defined point of access to get help when one’s relationship with gambling needs a reset. The number is answered 24 hours a day, 7 days a week, 365 days a year by trained specialists. NCPG strongly recommends that the number in the bills be updated to 1-800-MY-RESET.

If you have any questions about the recommendations, or want additional details or recommendations, please do not hesitate to contact us. Thank you for the opportunity to submit our testimony to the record.

Sincerely,

Cole Wogoman
Director, Government Relations and League Partnerships
National Council on Problem Gambling

¹ See NJ Rev Stat § 5:12-95.18 (2024)

HB-2570

Submitted on: 2/6/2026 5:46:05 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

Sports wagering has become a common activity across the country. Millions of Americans freely participate in such activities and Hawaii residents should not be left out of the mix. Let the people have some fun and **SUPPORT** HB2570!

HB-2570

Submitted on: 2/7/2026 11:14:04 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Sarah Chinen	Individual	Oppose	Written Testimony Only

Comments:

I must admit that I do enjoy going to Vegas and trying my luck at winning big. However, I never do. Gambling is a losing game for the majority and becomes an addiction for many at the expense of creating financial and mental problems that are avoidable. Let us avoid having this vice in our State for the sake of our vulnerable. Protect our people, please.

HB-2570

Submitted on: 2/7/2026 3:35:52 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Marisa Nguyen	Individual	Oppose	Written Testimony Only

Comments:

Vote NO on HB2570. Online sports betting is harmful to our communities and leads to addiction, financial ruin and the exploitation of our people. Communities on the mainland who legalize gambling end up regretting it because of the harm it causes. Don't open pandora's box.

HB-2570

Submitted on: 2/7/2026 3:39:23 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Thinh Nguyen	Individual	Oppose	Written Testimony Only

Comments:

Vote No on HB2570. Gambling destroys communities and leads to addiction and exploitation.
Do not invite it here.

HB-2570

Submitted on: 2/7/2026 3:48:20 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Delphine McCoy	Individual	Oppose	Written Testimony Only

Comments:

I submit that the passing of this bill will see more violence and addiction that will endanger lives in our beautiful state.

HB-2570

Submitted on: 2/8/2026 8:39:32 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cheryl Rzonca	Individual	Oppose	Written Testimony Only

Comments:

I oppose HB2570 and ask you to vote no on this measure. There should be no gambling allowed in Hawaii in any form. The homeless problem would sky rocket and we can't even handle it now, among other tragedies. I can testify first hand as to what gambling does to families and the individual doing the gambling. Just say NO to gambling!

HB-2570

Submitted on: 2/8/2026 9:27:04 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
William Caron	Individual	Oppose	Written Testimony Only

Comments:

Aloha Chair, Vice Chair, and members of the committee,

I am testifying in strong opposition to HB2570, a bill to legalize online sports betting. I urge you to see this legislation not as a benign revenue stream, but as a state-sanctioned predatory scheme that will extract wealth, health, and stability from our most vulnerable residents. The socioeconomic and cultural costs of inviting this industry into our homes via smartphone are catastrophic and irreversible.

Let us be clear: of all forms of gambling, online sports betting is uniquely dangerous. It combines the psychological hooks of gambling with the engineered addictiveness of social media and mobile technology. While traditional gambling is constrained by time and geography, the online sportsbook is in your pocket 24/7, designed to turn moments of boredom or impulse into financial loss. As MIT researcher Natasha Schull has stated, the digital gambling industry’s purpose is to get users “to play to extinction”—until all their money is gone. This bill effectively seeks to license that exploitation in Hawai‘i.

The Business Model is Built on Addiction

The industry’s own figures reveal its dependency on human suffering. Studies, including those funded by the gaming industry, indicate 1% of U.S. adults have a severe gambling problem, with another 2-3% suffering a mild or moderate problem. In raw numbers, that’s between 3.7 and 10.4 million Americans. However, the critical statistic is this: **an estimated 86% of all online gambling profits come from just the top 5% of gamblers—the addicts.**

These companies are not entertainment providers; they are sophisticated data-mining operations that identify, target, and incentivize loss-chasing behavior. Their VIP hosts track spending in real-time, sending personalized enticements and even “free” credit to users who show signs of distress. In one shocking lawsuit, a woman who expressed financial trouble to her DraftKings host was promptly sent \$250 in betting credit to “get you back in action,” after she had already lost \$153,000 in four months.

The Mechanics are Manipulative and Predatory

Modern “in-game” betting has transformed sports viewing into a non-stop gambling session. QR codes on scoreboards, apps buzzing with “live odds”—it’s a constant nudge to wager on the next pitch, the next foul shot. This breaks down any natural pause for reflection.

Furthermore, apps heavily push complex “parlay” bets, where multiple outcomes must hit for a payout. Gamblers call these “sucker bets” for a reason. A study of three legalized states found that while parlays comprised only about 27% of total wagers, they generated over 51% of the operators’ revenue. These bets are marketed with life-changing jackpot dreams but are mathematically designed to drain wallets efficiently.

The so-called “free” sign-up bonuses are traps. A lawsuit in Massachusetts details one offer: a “\$1,000 bonus” that required a \$5,000 deposit and \$25,000 in wagers within 90 days to unlock. This is not generosity; it’s a predatory contract designed to lock users into a high-volume loss cycle from day one.

The Social Harms Are Documented and Severe

The downstream effects of this addiction are not speculative. A 2023 study found that states that legalized online sports betting saw a 28% increase in personal bankruptcies, translating to roughly 100,000 additional bankruptcies nationwide per year.

Where do these financial ruins lead? To increased poverty, homelessness, family dissolution, mental health crises, and associated street crime. The state’s potential tax revenue will be a fraction of the public costs required to address this surge in human devastation. If this committee is serious about combating our homelessness and mental health crises, you cannot simultaneously open the floodgates to the number one driver of financial ruin for vulnerable individuals.

It Targets Our Keiki and Corrupts Sports Culture

The industry is already laying the groundwork for the next generation of addicts. Apps like “Fliff” use a sweepstakes model with fake currency convertible to cash, skirting age restrictions and marketing directly to teenagers. Their brains, which are highly impressionable, are being primed for addiction before they are even legally adults.

The corruption extends to the games we love. It’s not just ads plastered on every broadcast; it’s the harassment of athletes. NBA star Tyrese Haliburton noted his social media mentions are filled with gamblers furious he “f*cked up somebody’s parlay.”

This abuse is worse for college athletes, whose universities now partner with betting companies for millions. In Ohio, student-athletes have received Venmo requests for missed free throws and threats like “you deserve to get unalived for blowing my bet.” Is this the culture we want for Hawai‘i’s athletes and fans?

The Lobbying Blitz Doesn’t Change the Facts

Since 2018, the industry has spent hundreds of millions on lobbying and advertising to normalize this behavior—over \$430 million on national TV ads in 2024 alone. Their presence in 38 states is a testament to their political power, not their social benefit. We must not confuse ubiquity with harmlessness.

Legalizing online sports betting is a direct violation of our core value of kuleana—our responsibility to care for one another and our community. It is the antithesis of mālama and

aloha. We would be consciously importing a system that data-mines our citizens for weakness and profit, leaving broken families and increased public burdens in its wake.

This committee has a profound responsibility. You have the power to protect our people from a known, well-documented predator. I implore you to stand for the health of our community and decisively reject HB2570. Kill this bill, and commit to killing it every time it returns.

Mahalo nui loa for the opportunity to present this testimony.

HB-2570

Submitted on: 2/8/2026 3:11:54 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Mary Smart	Individual	Oppose	Written Testimony Only

Comments:

Do not pass HB 2570. Year after year your constituency tells you we don't want any type of gambling in our state. We don't want gambling to be an economic driver in our state. The side effects or the crime it brings and the addition that causes the demise of family finances are just a couple of reasons we oppose these gambling initiatives.

You know very well the problems gambling brings with it since you have a provision " Establishes the Problem Gambling Prevention and Treatment Special Fund to be administered and expended by the Department of Health." in the bill.

Enough said. The legislature acknowledges known problems yet again this year you try to promote this "industry".

Do not pass HB2570.

HB-2570

Submitted on: 2/8/2026 4:10:26 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
SANDY SHIMABUKURO	Individual	Oppose	Written Testimony Only

Comments:

HB 2570 legalizes and normalizes online gambling in Hawai'i, increasing addiction risks, exposing families and young people to harm, and shifting the state toward dependence on gambling revenue. Hawai'i can and should protect its people without sacrificing families for short-term revenue. i humbly ask you not to pass this bill that would bring irreparable harm to our families.

HB-2570

Submitted on: 2/8/2026 5:35:08 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Brett Kulbis	Individual	Oppose	Written Testimony Only

Comments:

Chair Holt and Committee Members,

My name is Brett Kulbis, I'm a 26yr retired Navy Veteran, who took a solemn oath to defend the Constitution from all enemies foreign and domestic, and that oath didn't expire when I retired. I live in Ewa Beach.

I STRONGLY OPPOSE BILL HB-2570.

HB-2570 would legalize and expand sports wagering statewide through mobile applications, effectively turning every smartphone into a betting device and normalizing gambling around professional, collegiate, and amateur sports. From a conservative perspective, this undercuts family stability, encourages impulsive behavior among young adults, and embeds a vice industry into everyday life. The bill itself anticipates harm by creating a problem gambling prevention and treatment fund and a voluntary exclusion program, effectively building a bureaucracy to address the very disorders the State is helping to create.

The measure also redefines key terms in the Penal Code so that licensed sports wagering and fantasy sports contests are no longer considered "gambling" or a "contest of chance," even though they still involve staking money on uncertain sports outcomes. This legal relabeling blurs legal lines, especially for youth, while allowing broad advertising so long as minors are not explicitly "targeted." At the same time, HB-2570 imposes a 15 per cent tax on adjusted gross sports wagering receipts and earmarks the revenue for UH athletics, a Native Hawaiian organization, union-affiliated programs, education, the general fund, and problem-gambling services, creating entrenched beneficiaries who become financially dependent on continued gambling activity.

Regulatory authority is vested in the Department of Business, Economic Development, and Tourism, an agency focused on promoting business, not public health, and the bill authorizes high, recurring license fees. Overall, HB-2570 moves Hawai'i toward deeper fiscal and policy dependence on gambling, a direction many conservatives oppose on social, and limited-government grounds.

Respectfully,

Brett Kulbis

HB-2570

Submitted on: 2/9/2026 9:00:08 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ellen Carson	Individual	Oppose	Written Testimony Only

Comments:

I oppose gambling in Hawaii, including online sports betting.. It brings more harm than good.

HB-2570

Submitted on: 2/9/2026 11:49:13 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Taylor Barnett	Individual	Oppose	Written Testimony Only

Comments:

I urge you to vote NO on HB2570. Legalizing online sports betting will bring more harm than good to our communities. Gambling is a predatory industry built on addiction, financial loss, and exploitation. We must learn from what is already happening on the continent, where gambling addiction has surged since sports betting was legalized.

HB-2570

Submitted on: 2/9/2026 1:25:09 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Doreen Morimoto	Individual	Oppose	Written Testimony Only

Comments:

Chairman, Vice Chairman, and members,

I strongly oppose this bill and all forms of gambling.

The reasons are obvious and the bottom line is that this will hurt our people, young, old, and future generations.

You are “robbing Peter to pay Paul”, and the State revenue will not be enough for future damaging consequences.

My family and I are victims of gambling addiction,

Do not pass this bill.

Thank you,

Doreen Morimoto

HB-2570

Submitted on: 2/9/2026 2:03:02 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kerry Ishihara	Individual	Support	Written Testimony Only

Comments:

It is time to legalize sports betting in Hawaii. There's no reason to not when many of the US states have. It will increase tax revenue and allow for underground bookmakers to lose their foothold.

HB-2570

Submitted on: 2/9/2026 2:36:35 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Charles Johnson	Individual	Support	Written Testimony Only

Comments:

Aloha, I have lived in Hawaii for 27 years often traveling to Las Vegas 4 times per year for vacation often spending \$10,000 per trip on gambling and entertainment. This is well within my budget. The gambling part for me includes sports betting and table games. I would gladly spend this money in Hawaii doing the same thing, knowing that it will support Hawaii programs if I lose. And yes, I will not be wasting money flying to Las Vegas staying in overpriced Hotel rooms, expensive dinners and shows. My money will stay in Hawaii and I will gladly spend it here. Lets legalize on line sports betting and keep the money in Hawaii.

HB-2570

Submitted on: 2/9/2026 3:09:34 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Smith Cobb-Adams	Individual	Support	Written Testimony Only

Comments:

I fully support this bill. It amazes me how the people in the legislature make all the excuses why this bill is not good. You have to admit that illegal gambling runs rampant here. It's must safer to have it legalized and have it controlled as well as reap the benefits from the taxes and fees.

I will definitely NOT vote for any Representative that does not support this Bill.

HB-2570

Submitted on: 2/9/2026 3:50:48 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Claire Yamashiro	Individual	Oppose	Written Testimony Only

Comments:

To Whom It May Concern,

I strongly oppose to HB2750 because illegal gambling that has occurred in my past family life has resulted in poverty and necessitated my parents to move to another state in order to avoid violent threats.

in addition, it would expose our next generation to the strong possibly of future failures and preventable heartache.

Mahalo for your Kokua to oppose this bill,

Claire

HB-2570

Submitted on: 2/9/2026 4:15:17 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Linda Miyata	Individual	Oppose	Remotely Via Zoom

Comments:

To Whom It May Concern,

I strongly oppose HB 2570.

I lost my home when I was 5 years old because my dad was addicted to gambling and had a HUGE debt. My mom had just remodeled our kitchen and my dad forged her signature to sell our home. He innocently started with sports betting. This addiction is just another coping mechanism and legalizing gambling doesn't solve the root problem. Please do not pass this bill as I can tell you first hand it will cause more problems in our state. Along with gambling environments it invites prostitution and immoral behavior. More bandaids to masking real problems and inviting unhealthy solutions. Perhaps we can focus on looking at fruitful ideas to help people cope with stress, disappointment and anxiety?

Mahalo for stopping this bill when it comes to the floor.

Very concerned about Hawai'i's youth and a thriving Hawai'i,

Linda

Testimony of Jacqueline Irving
Opposing HB2570
Hawaii State Legislature
February 11, 2026

I am writing in strong opposition to HB2570. I urge you to vote to oppose passage of this bill that would legalize online sports gambling in Hawaii.

In December 2025, my son, Xavier, should have celebrated his 30th birthday. But we were not able to celebrate it—or any future birthday he should have had. I lost my son to suicide in May 2024. I had no indication ahead of time that he was in a place whereby he would suddenly take his own life.

I knew that, just over four years after graduating university, he was going through a shift in career goals and also was reconsidering whether he wanted to remain in Columbus, Ohio. By outward appearances, however, he seemed to be managing this transition, which is not an uncommon state of mind for young people in their late 20s.

I did not know, until after his death, that he had lost thousands of his hard-earned money. He kept secret from me that a sports gambling problem had overtaken his life and mind.

Based on evidence I gathered after my son's sudden death, I would argue online sports gambling is mostly about exploiting and endangering people's lives in the name of this predatory industry's greed.

Many people are aware that the smartphone has fueled a rapid boom in online gambling's popularity. Most people, however, are unaware of the insidious ways the industry employs this technology to collect personal data—more than 90 different data points, according to one source (<https://www.youtube.com/watch?app=desktop&v=vDsLuOCWcgk>). Armed with knowledge of an individual's betting tendencies, the industry cultivates and fuels addiction, directly targeting those it identifies as emerging problem gamblers.

Horrified as I examined my son's phone after his death, I saw first-hand how sports gambling operators offered him free box seat tickets to appealing live sports events. Personalized texts from a "VIP host," also offered him "free" (couple hundred dollar) amounts of gambling money to ensure he remained actively engaged with multiple gambling apps on his phone. I continue to receive in his forwarded mail numerous flyers from the casino in Columbus, offering him gambling money and other financial incentives to gamble in person, as part of the synergistic media campaign waged to keep online gamblers gambling through various channels.

Many see online sports gambling as a social activity and different from the lone gambler losing money at a casino. However, the \$10,000 bet my son frenetically placed on a (losing) NHL Stanley Cup game team during the last 48 hours of his life was followed by a series of still more frenetic bets placed in isolation on his phone as he tried to win back his massive loss.

Many are lured into thinking this activity must be benign because we consider sports as healthy activities. Sports gamblers often delude themselves when they do win that they are drawing on “skill”—their knowledge of sports. The gambling industry knows and exploits all this.

Until he became ensnared by online sports gambling apps, my son had saved a considerable amount of his earnings after graduating college in 2019. Looking for answers, I analyzed my son’s phone after his death, discovering too late the increasingly frenzied sports gambling inflow and outflow activity in his account during his last several months.

Many believe alcohol and tobacco - which have helped fund government budgets through taxes - are responsible for more catastrophic harm. Yet, studies in the US have reported “those with [gambling disorder] GD had the highest suicide rate of any addiction disorder with one in five GD patients having attempted suicide” (<https://pmc.ncbi.nlm.nih.gov/articles/PMC9983450>).

Proponents of gambling may argue Americans should be free to choose how they spend their time and earnings. Did my son - and others whose money and lives were taken from them - live their shortened lives “in freedom,” once ensnared by these addictive apps?

I urge you to vote against HB2570, which, by legalizing online sports gambling in Hawaii, would lead to significant human suffering—as has already occurred over the past few years where legal in the U.S.—and as my son endured and as I will continue to endure for the rest of my life.

Sincerely,

Jacqueline Irving

HB-2570

Submitted on: 2/9/2026 4:58:56 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jean Leong	Individual	Oppose	Written Testimony Only

Comments: HB 2570 legalizes and normalizes online gambling in Hawai‘i, increasing addiction risks, exposing families and young people to harm, and shifting the state toward dependence on gambling revenue. Hawai‘i can and should protect its people without sacrificing families for short-term revenue.

HB-2570

Submitted on: 2/9/2026 6:50:08 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jeannine Johnson	Individual	Oppose	Written Testimony Only

Comments:

Legalizing online sports betting will bring more harm than good to our communities. Gambling is a predatory industry built on addiction, financial loss, and exploitation. We must learn from what is already happening on the continent, where gambling addiction has surged since sports betting was legalized. Vote NO on HB2570. Mahalo.

HB-2570

Submitted on: 2/9/2026 9:45:12 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Cindy R Ajimine	Individual	Oppose	Written Testimony Only

Comments:

Honorable Committee Chairs & Members:

I am a 3rd generation resident & voting constituent & here to again **STRONGLY OPPOSE** this bill for these reasons:

- **Online, mobile gambling dramatically increases the risk of addiction:** The bill authorizes sports wagering exclusively through mobile applications and digital platforms, allowing gambling to take place 24 hours a day, seven days a week, from anywhere in the state. Research consistently shows that online gambling is more addictive than in-person gambling because it offers constant access, instant and in-game betting, isolation, and no natural stopping points. This structure directly undermines claims that gambling can be responsibly managed.
- **The bill's safeguards are reactive, not preventative:** While HB 2570 includes a voluntary exclusion program and advertising restrictions, these measures rely on individuals recognizing a problem and self-identifying, often only after addiction has already taken hold. They do little to prevent aggressive marketing before harm occurs and fail to address the broader impacts on families, including financial collapse and mental health crises. Problem gambling funds only activate after damage has already occurred.
- **Youth and young adults are placed at greater risk:** Although the bill limits wagering to individuals 21 and older, it allows widespread advertising across digital platforms heavily used by young adults. It also normalizes betting on professional, collegiate, and international sports, increasing exposure within households and communities. Age verification alone does not prevent early exposure, normalization, or peer influence among teens.
- **The bill prioritizes gambling revenue over public well-being:** Supporters often point to tax revenue as a benefit, yet only a small portion is directed to problem gambling treatment. Revenue projections routinely fail to account for the social costs, including increased demand on social services, law enforcement, and mental health systems. In practice, gambling revenue disproportionately comes from a small number of high-risk users, creating a system where the state becomes financially dependent on addiction.

Heed the Warning > What the Data Shows Us About Gambling

Aloha Chair Ilagan, Vice Chair Hussey, and Members of the Committee,

I strongly oppose HB2570, which would legalize sports gambling in Hawai'i.

Ohio Governor DeWine has said that legalizing sports gambling was [the biggest regret of his governorship](#).

His warning is backed by what we are now seeing as gambling has expanded rapidly across the country, especially after sports betting was legalized in 2018.

1. [An article citing a recent Penn State University study](#) found that 2.5-6.4% of adults in Pennsylvania met the criteria for problem gambling, while 25.4-29.9% were considered at risk. At the high end, that represents 36.3% of adults – up to 3.77 million Pennsylvanians – affected by gambling harm or elevated risk.
2. [Another recent study explored the impact on our children](#). Research by Common Sense Media found that more than one-third of boys ages 11-17 said they had gambled in the past year. It also found that about 60% in that age group are exposed to gambling advertising on YouTube and social media from content pushed to them through their feeds. This level of early exposure raises serious concerns about normalization and long-term risk.
3. [Another consequence involves the safety of collegiate athletes](#). The NCAA has reported that one in three high-profile student-athletes have been harassed or threatened by angry bettors, putting their mental and physical safety at risk.

What we're seeing isn't limited to a few studies or states. There have been many reports and studies documenting gambling-related harm, including financial distress and bankruptcy, corruption, addiction, domestic violence, and suicide risk. **Taken as a whole, this broader body of evidence suggests it would be wise to pause and carefully study what is happening on the continent and abroad, and to consider whether those outcomes align with our obligation to safeguard the well-being of our families and future generations.**

Mahalo,
Christine Otto Zaa

Marcus R. Oshiro
Wahiawa, Hawai'i

February 9, 2026

Written Testimony in Opposition to HB 2570

Chair, Vice Chair, and Members of the Committee:

I strongly **oppose HB 2570**, which would legalize mobile sports wagering in Hawai'i and create a new gambling industry dominated by mainland corporations. While the bill is lengthy, its core function is simple: it authorizes **mobile-only sports betting**, requires the State to issue **at least six operator licenses**, and taxes gambling revenue at **15% of adjusted gross receipts**.

Despite the regulatory language, HB 2570 poses serious risks to Hawai'i's families, communities, and long-standing public-health

1. HB 2570 hands Hawai'i's gambling market to a mainland oligopoly.

In every state where sports betting has been legalized, **DraftKings and FanDuel** rapidly capture the market, often controlling **70–90%** of all wagers. HB 2570's licensing structure mirrors the frameworks that allowed these two companies to form a **duopoly** across the country.

This bill does not create a "competitive marketplace." It creates a **pipeline for two mainland corporations to extract wealth from Hawai'i residents**, with minimal return to our local economy.

2. Mobile sports betting is engineered for rapid addiction.

HB 2570 authorizes the most dangerous forms of gambling: **in-game wagers, micro-bets, proposition bets, and continuous live betting**. These are not casual wagers. They are high-frequency, high-velocity bets designed to keep users betting constantly.

Mobile sports betting apps use:

- real-time odds updates
- push notifications
- algorithmic targeting
- instant deposits
- "Free bet" promotions
- personalized incentives

Public-health experts describe mobile sports betting as one of the **fastest-addicting gambling products ever created**. It is designed to hook users quickly and keep them betting continuously — especially young men, who are the most aggressively targeted demographic.

HB 2570 would bring this system directly into every home in Hawai'i.

3. The bill’s revenue allocations are a pittance — and meaningless in Hawai‘i’s budget structure.

HB 2570 designates small percentages of gambling revenue to UH athletics, a Native Hawaiian organization, the *AFL-CIO Lifeline Program*, problem-gambling services, and education programs. But these allocations are **tiny compared to the scale of money that *DraftKings* and *FanDuel* will extract from our communities.**

More importantly, **Hawai‘i funds nearly all its critical services through the General Fund**, including:

- K–12 education
- Higher education
- Healthcare and Medicaid
- Senior services
- Homelessness and housing programs
- Public safety
- Social services

Because these services are already funded through the General Fund, **any new gambling revenue would simply supplant existing appropriations**, not expand services. The Legislature would shift General Fund dollars elsewhere, and the designated programs would see **no net increase**.

In other words:

The “beneficiary” organizations receive a symbolic pittance, while the real money flows to mainland gambling corporations.

This is not a revenue bill. It is a **wealth-extraction bill**, with token payments used to justify the entry of a predatory industry.

4. Other states struggle even with dedicated gaming commissions. Hawai‘i would be starting from zero.

States with decades of gambling-regulation experience — full gaming commissions, investigative units, technical teams, and multimillion-dollar enforcement budgets — still struggle to control mobile sports betting. The evidence is overwhelming:

New Jersey — the “gold standard” still overwhelmed.

Even with 40+ years of casino regulation, New Jersey has faced:

- repeated violations by operators for improper advertising
- illegal targeting of underage users
- surges in suspicious betting activity
- difficulty policing micro-bets and in-game wagers

If New Jersey struggles, Hawai‘i — with no gambling agency at all — would be overwhelmed immediately.

Ohio — violations within months of launch.

Despite having a full gaming commission in place, Ohio saw:

- illegal “risk-free bet” promotions
- operators targeting college campuses
- millions in fines within the first year
- a spike in gambling-related crisis calls

Ohio regulators admitted publicly that the industry’s speed and aggressiveness caught them off guard.

Colorado — regulators unable to keep up.

Colorado’s Division of Gaming reported:

- hundreds of suspicious betting alerts they lacked staff to investigate
- difficulty enforcing rules around prop bets
- rising problem-gambling cases
- continued activity by offshore operators

Colorado has a full regulatory structure. Hawai‘i has none.

Massachusetts — strict rules still violated.

Massachusetts, known for tough regulation, still saw:

- DraftKings fined for illegal college betting
- repeated advertising violations
- challenges controlling algorithmic targeting
- rapid growth in gambling addiction among young men

If even the strictest regulators cannot contain the industry, Hawai‘i — starting from zero — will not fare better.

Hawai‘i has no infrastructure at all.

Hawai‘i has:

- **no gaming commission**
- **no enforcement staff**
- **no technical monitoring systems**
- **no suspicious-betting unit**
- **no licensing investigators**
- **no regulatory experience**

HB 2570 assigns all of these responsibilities to **DBEDT**, an agency with no gambling oversight background. This is not a realistic or responsible regulatory model.

5. HB 2570 normalizes gambling for youth.

Even with age-verification requirements, mobile sports betting apps are visible to minors, and advertising inevitably reaches them. States with legalized sports betting have seen:

- increased youth gambling
- normalization of betting as part of sports culture
- higher addiction rates among teens and young adults

HB 2570 does not adequately address these risks.

6. Hawai‘i has long rejected gambling for good reason.

For decades, Hawai‘i has chosen to protect families, cultural values, and community well-being by rejecting gambling industries that profit from addiction. HB 2570 represents a major reversal of that policy — and once these corporations enter the state, they do not leave.

7. Conclusion

HB 2570 would introduce a high-risk, high-addiction gambling industry into every household in Hawai‘i, dominated by mainland corporations and offering only token, symbolic revenue to local organizations. The social costs will far outweigh the revenue, and the burden will fall disproportionately on working families.

For these reasons, I respectfully urge the Committee to **hold this measure** or in the alternative defer decision making pending the report of the Joint House and Senate Tourism and Gaming Working Group, pursuant to SCR 121 (2025).

HB-2570

Submitted on: 2/9/2026 11:31:06 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Barilyne Sakamoto	Individual	Oppose	Written Testimony Only

Comments:

Honorable Committee Chairs & Members:

I am writing in STRONG SUPPORT of this bill to advance for the reasons below:

1. Social Impacts: Concerns exist that introducing gambling, even in this limited form, could increase social problems such as gambling addiction and related crime rates within the local community.
2. Economic Impacts: Opponents argue it might divert tourism revenue away from existing local businesses and potentially introduce economic volatility associated with the gambling industry.
3. Contradiction with State Values: A major argument is that this legislation would undermine Hawai'i's long-standing policy as a non-gambling state, opening the door for further expansion of gambling on land in the future.
4. Impact on 'Ohana (Family) Culture: Critics suggest that the promotion of gambling is inconsistent with the strong 'ohana (family) and community-oriented values deeply ingrained in Hawaiian culture.
5. Potential for Legal Challenges/Enforcement Issues: There could be complexities in enforcing state laws and regulations on a vessel operating in Hawaiian waters but registered under a different jurisdiction.

Please oppose this bill since it will have negative impact on our state.

Sincerely yours,

Barilyne Sakamoto

HB-2570

Submitted on: 2/10/2026 1:03:05 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Kelly Nishimura	Individual	Oppose	Written Testimony Only

Comments:

Please vote NO on HB2570. We must learn from what is already happening on the continent, where gambling addiction has surged since sports betting was legalized. We don't want these problems in Hawai'i!

HB-2570

Submitted on: 2/10/2026 5:39:50 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
S Henderson	Individual	Oppose	Written Testimony Only

Comments:

I respectfully request that you vote against HB257 and SB3303.

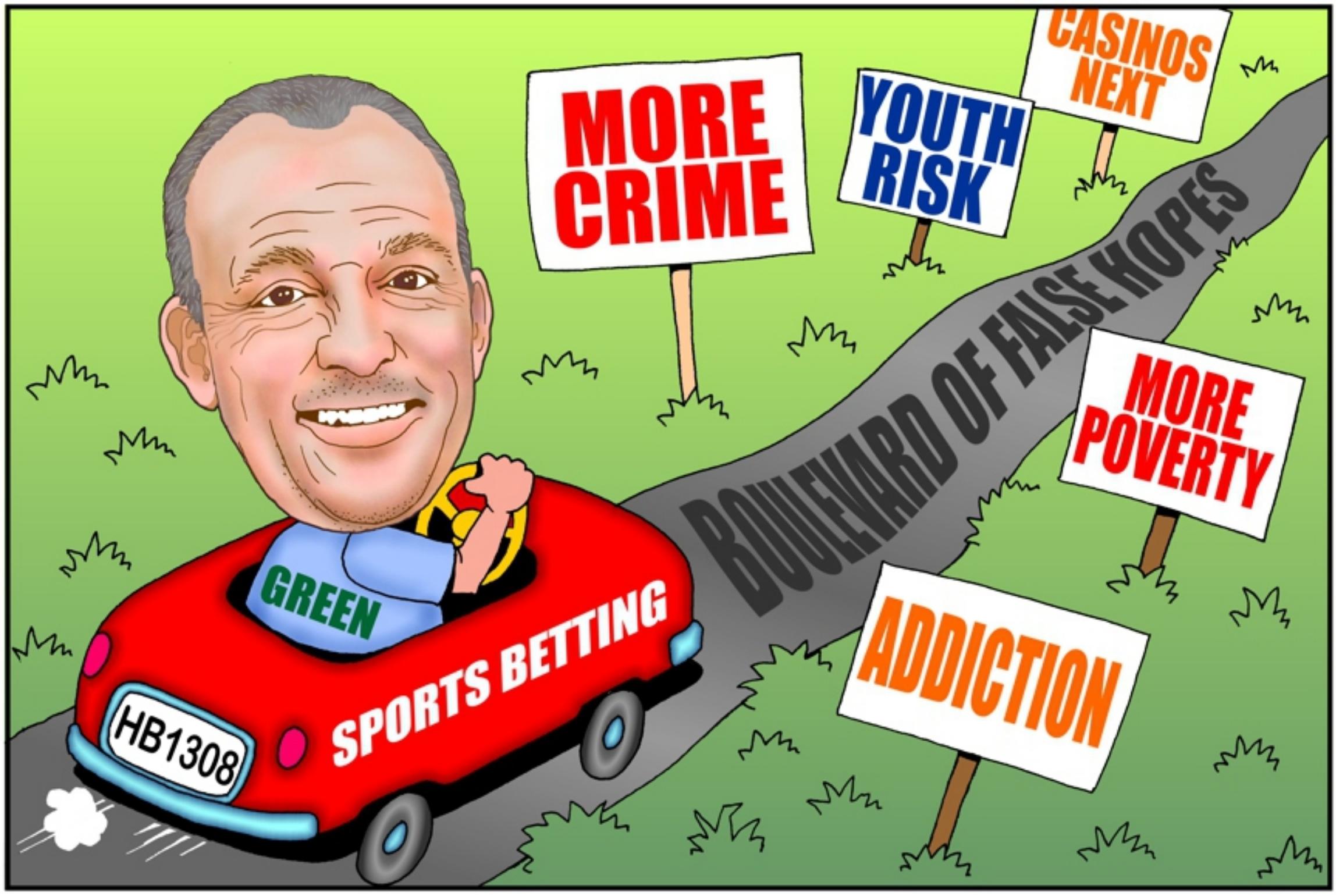
I am so pleased that, so far, Hawaii legislators have taken a strong stance to protect people from the harms of gambling addiction. I am distressed to see sponsors for a bill that would make gambling in our state even easier than having gambling establishments or lotteries.

Surveys show that a high number of teenagers are on gambling websites, and are becoming addicted at a young age. [Study finds this is how teen boys are being lured into gambling](#)

The fact that GET income to the state and a Problem Gambling Prevention and Treatment Special Fund will be created is a smokescreen. They will not offset the financial, emotional, and social costs to people in this state.

PLEASE do NOT open the door to widespread gambling in Hawaii. Please oppose HB2570.

Mahalo.



**MORE
CRIME**

**YOUTH
RISK**

**CASINOS
NEXT**

**MORE
POVERTY**

ADDICTION

GREEN

SPORTS BETTING

HB1308

BOULEVARD OF FALSE HOPES

HB-2570

Submitted on: 2/10/2026 8:08:40 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
J Wong	Individual	Oppose	Remotely Via Zoom

Comments:

I urge you to vote NO on HB2570.

Legalizing online sports betting will bring more harm than good to our communities. Gambling is a predatory industry built on addiction, financial loss, and exploitation. We must learn from what is already happening on the continent, where gambling addiction has surged since sports betting was legalized.

HB-2570

Submitted on: 2/10/2026 10:56:57 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Olderr	Individual	Oppose	Written Testimony Only

Comments:

I do not support this bill, and I hope that you won't either. I understand the need to find sources of revenue aside from tourism, but profiting from those who are addicted to gambling and preying on the vulnerable is not the answer. With economic uncertainty becoming the norm, I think it's unwise and hurtful to give people a platform to humiliate and decimate themselves for a slim chance of making money. I worry that we find ourselves at the far end of what happened with the WNBA, with those driven by desperation to make bets about throwing explicit objects onto the court to make a buck on the prediction market. But instead of jokes and obscenities, during a sports game, we have world events and elections that someone might take into their own hands to get a payout to feed their family. I know this is not the intent of this bill, but I fear the unintended consequences of it and all the other legalized gambling bills coming through this session. I hope you will defer this measure and any future gambling measures.

HB-2570

Submitted on: 2/10/2026 10:59:40 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Lora Burbage	Individual	Oppose	Written Testimony Only

Comments:

Aloha!

I OPPOSE this bill because it will now be approved of course with regulations.

-the cost of enforcing will outweigh the money coming in for use.

-the fact that there is recognition of addiction to gambling written in this bill shows the introducer understands the nature of many who will fall into the trap of trying to make a fast buck.

How can we incentivise our people to work vs. encouraging them to take short cuts to earn money?

Mahalo,

Lora Burbage

HB-2570

Submitted on: 2/10/2026 3:41:21 PM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Terri Yoshinaga	Individual	Oppose	Written Testimony Only

Comments:

I oppose this bill.

TESTIMONY IN OPPOSITION ON THE FOLLOWING MEASURE:

H.B. No. 2570, Relating to Sports Wagering

BEFORE THE:

House Committee on Economic Development & Technology

DATE: Wednesday, February 11, 2026

TIME: 8:30 a.m.

LOCATION: State Capitol, Room 423

Aloha Chair Ilagan, Vice-Chair Hussey, and Members of the Committee:

My name is Ian Chan Hodges. I was born in Honolulu, graduated from Kalani High School and raised my family on Maui. I have served as an expert to state agencies on the potentially positive impacts of innovation on Hawai'i as well as the negative impacts of large out-of-state enterprises seeking to extract economic value from our island communities.

Thank you for the opportunity to testify.

H.B. 2570 is a lengthy and technical bill, but the reasons for opposing it are straightforward.

The bill's 15% tax applies only to bettor losses (I understand that in the gaming industry this is known as gross gaming revenue). The tax does not apply to the total amount wagered, which is commonly referred to as the handle. This distinction is important because only a small fraction of money wagered ever becomes taxable revenue.

Based on actual outcomes in other states, and factoring in Hawai'i's lack of professional sports teams and other unique elements of the islands, the likely tax revenue is modest, on the order of single-digit millions of dollars per year. Respectfully, that total amount is very likely to be less than the combined sums spent on lobbying, legal, and consulting services that have already been budgeted to advance this bill towards implementation. In the context of a state budget measured in the billions, the revenue resulting from this bill will likely amount to a fraction of one percent of the state budget.

This leads to a simple and reasonable question: why now? Hawai'i has, for decades, consciously declined to follow other states down the path of legalized gambling. Many states chose that path under political pressure or fiscal urgency. Hawai'i has not – even when the pressure and urgency were intense. Before reversing that long-standing and wise policy choice, the Legislature should ask what has changed that makes this step necessary today, especially when the fiscal return is limited. A logical follow up question should be: who benefits?

A second core concern is the breadth of the confidentiality provisions in this bill. H.B. 2570 allows a wide range of licensing, operational, and compliance information to be treated as confidential if deemed proprietary or sensitive, while at the same time leaving many key consumer protections to future rulemaking. This combination of broad discretion and limited transparency is troubling in a newly legalized and socially sensitive activity. If Hawaii's people are being asked to accept a major policy shift, we should also be able to understand who is being licensed, how compliance is evaluated, how enforcement decisions are made, and whether harm mitigation measures are effective. Confidentiality may be appropriate for narrow trade secrets, but this bill goes much further and risks undermining public trust and legislative oversight.

The regulatory structure also raises concerns. The bill places primary oversight with the Department of Business, Economic Development, and Tourism. DBEDT's mission is economic development. Sports wagering is a probabilistic, loss-based activity that requires sustained focus on enforcement, integrity, and public health impacts. Most states regulate sports wagering through dedicated gaming commissions or lottery authorities, not economic development agencies. This is not a question of intent or competence, but of institutional focus.

Finally, the harms associated with sports wagering are well documented and predictable. Losses are highly concentrated among a small percentage of bettors, which means the financial harm is also concentrated. In a high cost-of-living state like Hawai'i, even modest gambling losses can have outsized impacts on households. Mobile, app-based wagering increases normalization and exposure, particularly for younger residents, and demand for counseling and treatment often grows faster than funding allocated for prevention.

In closing, this bill asks the people of Hawai'i to take a step we have deliberately avoided for decades, based on projected revenue that is very modest, assumptions that deserve scrutiny, and a regulatory framework that relies heavily on discretion while limiting transparency. Before abandoning a long-standing and wise policy of restraint, the Legislature should insist on a clear and compelling explanation of why this change is necessary now.

For these reasons, I am in opposition and respectfully urge the Committee to hold this bill.

Mahalo for your time and consideration.

HB-2570

Submitted on: 2/11/2026 6:12:54 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Jalee Palompo	Individual	Oppose	Written Testimony Only

Comments:

Aloha Honorable Representatives,

Thank you for your service to our beautiful islands. Each day, you face difficult decisions that shape the future of our home, and I am grateful for your willingness to consider the generations who will follow us.

Today, you are faced with a decision that could change our islands forever, and that deeply concerns me. As a mother of three, a mental health provider, and a pastor’s wife, I respectfully ask that you vote no on HB2570.

Legalizing gambling in any capacity would alter the heart of our home. While it may promise increased revenue, the long-term social and emotional costs to our families and communities are far greater. In my work, I have seen firsthand how addiction and financial strain devastate individuals and ripple outward, harming marriages, children, and mental health. Gambling is not simply entertainment—it carries real risks that affect the most vulnerable among us.

Our islands are special because of our strong families, deep relationships, and shared values. I urge you to protect these foundations. Revenue can be generated in many ways, but once we open the door to gambling, the consequences may be difficult—if not impossible—to reverse.

Please stand for the well-being of our keiki, our families, and the future of Hawai‘i by voting no on HB2570.

Thank you for your time and thoughtful consideration.

HB-2570

Submitted on: 2/11/2026 6:13:11 AM

Testimony for ECD on 2/11/2026 8:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Carolyn Weygan-Hildebrand	Individual	Oppose	Written Testimony Only

Comments:

Sports wagering in the United States has exploded in ways that leave the societal toll undercounted by this measure. States and communities have to do way more. The innovation in online betting requires serious attention to commercial determinants of societal health and wellness. Consider the documentary on <https://www.youtube.com/watch?v=9UgkQUCz-pQ>

Mahalo.