

## ACT 27

H.B. NO. 2269

A Bill for an Act Relating to Organized Crime.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature recognizes that as Hawaii has become a profitable site for investments from outside the State, the State has become attractive to organized crime. Organized crime is most often associated with the illegitimate world of street crime—the world of thugs, gamblers, prostitutes, thieves, and drug dealers. Organized crime’s greatest potential for damage, however, occurs when a “link” is formed between the illegitimate world of street crime and the power centers of legitimate society. This link occurs when organized crime draws revenue from illicit activities such as gambling and drugs and invests its proceeds in legitimate enterprises, using the advantages of large capital, ties with government, and selective intimidation to construct monopolies in various industries and services. Money from illicit sources as well as terror and violence, is used to infiltrate, control, and profit from legal institutions.

The legislature finds that foreign criminal elements have been implicated in criminal activity in America, particularly, in the lucrative international narcotics trade.

The legislature recognizes that foreign organized crime factions could have links to outside investments in this State. In order to protect the interests of the State and our citizens from this threat, our laws addressing the activities of organized crime must make clear that nonresident aliens are subject to the prohibitions and penalties of the law. One of the most effective penalties against organized crime is the forfeiture of assets obtained as the fruits of criminal activity.

The purpose of this Act is to emphasize that the penalty of forfeiture under Hawaii’s organized crime law applies equally to residents and nonresidents alike who engage in prohibited criminal activities such as racketeering, extortion, gambling, drug trafficking, prostitution, pornography, and gang violence.

SECTION 2. Section 842-1, Hawaii Revised Statutes, is amended by amending the definition of “person” to read:

“ “Person” includes any individual or entity capable of holding a legal or beneficial interest in property[.] and includes nonresident aliens.”

SECTION 3. Section 842-3, Hawaii Revised Statutes, is amended to read as follows:

**“§842-3 Penalty; forfeiture of property.** [Whoever] Any person who violates this chapter shall be guilty of a class B felony and shall be fined not more than \$10,000, or sentenced to an indeterminate term of imprisonment of ten years without possibility of suspension of sentence or probation, and shall forfeit to the State any interest or property acquired or maintained in violation of this chapter as provided in chapter 712A.”

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SECTION 4. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 5. This Act shall take effect upon its approval.

(Approved April 18, 1990.)