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**Testimony of the Department of Commerce and Consumer Affairs**

**Before the  
House Committee on Judiciary  
Friday, March 22, 2019  
2:10 p.m.  
State Capitol, Conference Room 325**

**On the following measure:  
H.C.R. 109, REQUESTING THE ESTABLISHMENT OF A TASK FORCE  
TO STUDY THE FEASIBILITY OF LEGALIZED SPORTS GAMBLING**

**WRITTEN TESTIMONY ONLY**

Chair Lee and Members of the Committee:

My name is Catherine Awakuni Colón, and I am the Director of the Department of Commerce and Consumer Affairs (DCCA or Department). The Department offers comments on this resolution, which: (1) requests that the DCCA establish a task force to study the feasibility of legalized sports gambling; (2) requires the Director of the DCCA or the Director's designee to serve as the chairperson of the task force; (3) requires the Department to provide administrative support; and (4) requires the task force to submit a report to the Legislature prior to the Regular Session of 2020.

Should this concurrent resolution pass, the Department would be willing to serve as a member of the task force; however, it lacks the requisite expertise to serve as the chairperson or provide administrative support to the task force. State-sanctioned sports gambling is outside the jurisdiction of the DCCA, which serves the public through

business registration and professional licensure, monitoring the financial solvency of local financial institutions and insurance companies, and investigating complaints of unfair business practices and license violations. Given the tailored mission of the DCCA, it would be difficult to use existing staff expertise to establish or chair a legalized sports gambling task force for administrative purposes.

Thank you for the opportunity to testify on this resolution.



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COMMITTEE ON JUDICIARY  
Friday, March 22, 2019, 2:10 p.m., Room 325  
HCR 109 RELATING TO A TASK FORCE TO STUDY LEGALIZING SPORTS GAMBLING  
**TESTIMONY**  
Susan Dursin, Legislative Committee, League of Women Voters of Hawaii

Chair Lee, Vice-Chair San Buenaventura and Committee Members:

**The League of Women Voters of Hawaii opposes HCR109 which establishes a task force to study legalizing sports gambling.**

The U.S. Supreme Court decision of May, 2018, allowing the states to permit sports gambling, has generated interest around the country. Seven states have legalized sports betting, while others are considering doing so. It is no surprise that potential revenue from sports wagering attracts legislators' attention.

While the League does not object to a full, balanced investigation of the possible impact of sports betting in Hawaii, HCR109 does not appear to provide for that sort of study.

The term "task force" is defined in legal dictionaries as "a temporary organization created to solve a problem." This resolution requires the task force to report 20 days before the 2020 legislative session begins. This is a very short period to examine a movement that began less than a year ago. It is not long enough to see the experience of other states.

According to HCR109, the task force can also propose legislation. While legislators should be fully advised of the group's findings, it should not be the responsibility of the task force to propose legislation. In fact, giving the task force such ability implies the willingness to change Hawaii's prohibition of legalized gambling.

HCR109 does not speak to Hawaii's individual situation in not having any form of legalized gambling other than social gambling. Certainly a study of any kind of gaming should include an extensive inquiry into the impact of legalization.

Finally, the composition of the task force appears to be skewed to members with knowledge of sports gambling. Would those "experienced" in sports wagering even be from Hawaii – or would members be imported from the Mainland? The task force can solicit information from anyone, any "expert." Why appoint them to the task force? It should not be necessary to exclude members of the task force from HRS, chapter 84 -Standards of Conduct . People who have engaged in questionable activities do not necessarily make good task force members. Why are there no members from the spheres of health, education, or even from athletic organizations? Many have perspectives that can offer depth to the proposed study.



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For many years, the League of Women Voters of Hawaii has opposed legalized gambling on the basis that no government body should fund its activities out of programs that bring social ills and financial ruin. While the League is always in favor of well-grounded study and sound decision-making, the task force advocated in HCR109 does not promise either.

Please oppose HCR109.

Thank you for the opportunity to submit testimony.

**HCR-109**

Submitted on: 3/20/2019 3:55:59 PM

Testimony for JUD on 3/22/2019 2:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Cathy Goeggel	Individual	Oppose	No

Comments:

no gambling - full stop

**HCR-109**

Submitted on: 3/21/2019 12:11:05 AM

Testimony for JUD on 3/22/2019 2:10:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Gerard Silva	Individual	Support	No

Comments:

**LATE**

COMMENTS ON HCR 109  
House Judiciary Committee  
March 22, 2019 (2:10 PM)

Chair Lee, Vice Chair San Buenaventura, and Committee Members:

When studying European Community Law and International Law at University College London two decades ago, I took note of the various betting houses that were scattered throughout the city. Most notable among them were Ladbrokes and William Hill. A question arose: why was regulated wagering widely available to the British people, who are theoretically less free than those of us from a nation that seeks to continually explore new frontiers of self-government?

Now that the Supreme Court has authorized sports wagering, Hawaii should seek to tax and regulate the conduct that many are now engaged in, whether in social rotisserie competitions or through illicit sports wagering operations. The foreseeable tax revenue generated is not likely to be a great sum, but it is one that should not be summarily written off.

As with other objects of government prohibition in this nation, the stigma and biases surrounding gaming, including sports wagering, is rooted in an austere authoritarian posture positing that a given substance or activity is intrinsically harmful or an “evil” that must be banned. If there is some level of legality, then the assumption is that even rational adults cannot be trusted to govern themselves. This orientation is deeply inimical to self-government among a free people, especially in a polity whose source of governmental authority is popular sovereignty.

Prohibition does not stop people from playing games of chance, sometimes to the detriment of their own or their family's short- and long-term financial security. However, public policy choices should not be driven primarily by the small minority of persons who may develop acute problems.

As with other behavioral health issues, a rational system of gaming regulation that includes widely available therapeutic responses is preferable to one of continued criminalization. History shows that prohibition exacerbates the very harms it seeks to prevent, while also empowering unscrupulous actors and corroding the character of public actors and the public institutions in which they serve.

Sincerely,  
Nikos Leverenz