

MAR 08 2019

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## SENATE RESOLUTION

URGING THE DEPARTMENT OF BUDGET AND FINANCE TO EXAMINE  
PARTICIPATION BY THE STATE IN THE POWERBALL AND MEGA  
MILLIONS MULTISTATE LOTTERY GAMES AND THE ALLOCATION OF THE  
INCOME FROM THOSE GAMES TO THE GENERAL FUND.

1 WHEREAS, a new means of generating additional revenue is  
2 needed to fund state functions; and  
3

4 WHEREAS, for forty-four states, state lotteries represent a  
5 small but valuable source of revenue; and  
6

7 WHEREAS, on average, about one percent of state revenue  
8 comes from lotteries; and  
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10 WHEREAS, nationally, in fiscal year 2015, state lotteries  
11 generated \$66,800,000,000 in gross revenue; and  
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13 WHEREAS, after costs for prizes, administration, and  
14 advertising, states were still left with net lottery proceeds of  
15 \$21,400,000,000; and  
16

17 WHEREAS, the federal Indian Gaming Regulatory Act regulates  
18 the conduct of gaming on Indian lands; and  
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20 WHEREAS, although the potential exists for a Native  
21 Hawaiian government to be federally recognized and for Native  
22 Hawaiians to obtain ownership, possession, or use of certain  
23 lands that may then become subject to the Indian Gaming  
24 Regulatory Act, Hawaii does not have a state lottery and  
25 there are currently no federal lands in the State held under the  
26 premise of the Indian Gaming Regulatory Act of 1988; now,  
27 therefore,  
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29 BE IT RESOLVED by the Senate of the Thirtieth Legislature  
30 of the State of Hawaii, Regular Session of 2019, that the  
31 Department of Budget and Finance is urged to examine  
32 participation by the State in the Powerball and Mega Millions  
33 multistate lottery games and the allocation of the income from  
34 those games to the general fund of the State; and



1  
2 BE IT FURTHER RESOLVED that the Department of Budget and  
3 Finance is urged to examine:  
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- 5 (1) Whether the Director of Finance (Director) should  
6 retain lottery redemption agents to perform functions,  
7 activities, or services in connection with the  
8 operation of the lottery;  
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- 10 (2) The rules necessary to designate licensing agents to  
11 sell or distribute lottery tickets;  
12
- 13 (3) Whether a lottery ticket can be sold at a price other  
14 than that fixed by rule;  
15
- 16 (4) Whether any person who knowingly conducts any activity  
17 for which a lottery sales agent license is required,  
18 without the required license, should be penalized;  
19
- 20 (5) Whether any person that purchases a lottery ticket  
21 from an unlicensed vendor should still be entitled to  
22 any prizes they may win;  
23
- 24 (6) Whether the Director may adopt rules to establish  
25 penalties for a licensed agent who violates the  
26 Division's rules;  
27
- 28 (7) Whether licensed lottery sales agent should be allowed  
29 to sell a lottery ticket to a person using a public  
30 assistance voucher issued by any public entity or an  
31 electronic benefits transfer card issued by the  
32 Department of Human Services;  
33
- 34 (8) Whether the Attorney General and the Prosecuting  
35 Attorneys of the affected county should have  
36 concurrent jurisdiction over any offenses arising out  
37 of or in connection with the formation, management,  
38 operation, or conduct of the state lottery;  
39
- 40 (9) Whether a lottery ticket should be sold to any person  
41 under the age of eighteen;  
42



- 1 (10) Whether the right of any person to a prize should be  
2 assignable;
- 3
- 4 (11) Whether unclaimed prize money for the prize on a  
5 winning lottery ticket should be retained for the  
6 person entitled to the prize for a given period of  
7 time after the drawing in which the prize was won;
- 8
- 9 (12) Whether a liability setoff program is necessary, by  
10 which state lottery prize payments may be used to  
11 satisfy debts that a person owes the State; and
- 12
- 13 (13) Whether a certified public accountant should be hired  
14 to perform an annual audit of all accounts and  
15 transactions of the Division for lottery games  
16 throughout the year; and
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18 BE IT FURTHER RESOLVED that the Department of Budget and  
19 Finance is requested to submit a report of its findings and  
20 recommendations, including any proposed legislation, to the  
21 Legislature no later than twenty days prior to the convening of  
22 the Regular Session of 2020; and

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24 BE IT FURTHER RESOLVED that certified copies of this  
25 Resolution be transmitted to the Governor and Director of  
26 Finance.

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OFFERED BY:

