

SUMMARY OF PROPOSED FLOOR DRAFT:

**Resolution 24-143, CD1
ESTABLISHING A TASK FORCE ON GAMBLING ROOMS.**

The PROPOSED FD1 makes the following amendments to the Proposed CD1:

- A. Adds a 13th WHEREAS clause, to reference Council Rule 9A, under which the Council may form task forces.
- B. In the first BE IT FURTHER RESOLVED clause, increases the size of the task force from five to seven by adding one member from the Department of the Corporation Counsel and increasing the number of members appointed by the Council from two to three.
- C. Adds a third BE IT FURTHER RESOLVED clause, specifying that the task force shall dissolve on June 30, 2025.
- D. In the BE IT FINALLY RESOLVED clause, adds the Corporation Counsel as a transmittee of the resolution.
- E. Makes miscellaneous technical and nonsubstantive amendments.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

No. 24-143, CD1, FD1
PROPOSED

RESOLUTION

ESTABLISHING A TASK FORCE ON GAMBLING ROOMS.

WHEREAS, gambling in all forms is prohibited in the State of Hawai'i ("State");
and

WHEREAS, illegal gambling in the City and County of Honolulu ("City") continues to be a pervasive problem that threatens public safety and welfare; and

WHEREAS, illegal game rooms with multiple electronic gambling devices have been detected and shut down in various residential neighborhoods across the City; and

WHEREAS, it has been reported that the Honolulu Police Department ("HPD") retrieves around 500 gambling machines in the City every year; and

WHEREAS, illegal game rooms attract criminal activity, with incidents involving drugs, weapons, prostitution, human trafficking, and violent crime in residential communities, as well as increased traffic, parking complaints, and noise; and

WHEREAS, while criminal prosecution, civil nuisance abatement, and civil asset forfeiture are tools to combat illegal game rooms, it is difficult to prevent illegal game rooms from reopening after they have been shut down because they are easily launched and are very lucrative; and

WHEREAS, in an effort to target those who work at illegal game rooms, the State Legislature enacted Act 111, Session Laws of Hawaii 2022, which elevated the offense of promoting gambling in the first degree from a class C felony to a class B felony and the offense of promoting gambling in the second degree from a misdemeanor to a class C felony; and

WHEREAS, during the 2024 legislative session, the State Legislature passed Senate Bill 2197, Senate Draft 1, House Draft 1, Conference Draft 1 ("SB 2197"), which is awaiting action by the Governor, to amend the definition of "advance gambling activity" to hold property owners accountable by closing a loophole in the law that allows property owners to avoid prosecution for gambling offenses if they make any effort, regardless of how minimal or ineffective, to prevent illegal gambling activity on their property; and



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WHEREAS, testimony on SB 2197 revealed that on any given day, there are at least 100 active game rooms operating in the City, with the HPD testifying that over the past year, the HPD had executed more than 30 search warrants on properties hosting illegal gambling, some having been repeatedly served; and

WHEREAS, the City Council ("Council") recently introduced several measures to crack down on illegal game rooms in the City, including: (1) Bill 57 (2023), which would give the City greater authority to prevent illegal game rooms by imposing fines or legal action on landlords who allow illegal game rooms on their property; (2) Bill 58 (2023), which would allow the HPD, under the authority of the City's Department of Planning Permitting ("DPP"), to serve penalties for violations of the building code, fire code, and land use ordinance; and (3) Resolution 23-228, which urges the HPD and the DPP to work together in gathering evidence and serving notices of violation to take enforcement actions against illegal game rooms; and

WHEREAS, despite legislative efforts to enhance penalties relating to illegal game room operations, the Council believes that because the possession of a gambling device knowingly used to advance gambling activity is only a misdemeanor level offense under State law, illegal game rooms will continue to operate, further endangering public safety; and

WHEREAS, the Council finds that establishing a task force to devise solutions to address lack of enforcement and inadequate legal means to combat illegal gambling activities is necessary and is in the best interest of the City and its residents; and

WHEREAS, under Council Rule 9A, the Council may, by adoption of a resolution, create advisory committees to assist the Council in the resolution or study of issues; now therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu ("Council") that it establishes a gambling room task force to advise and assist the Council on identifying and developing solutions to combat the ongoing proliferation of illegal game room operations in the City; and

BE IT FURTHER RESOLVED that the task force be composed of seven members, as follows:

1. One member from the Honolulu Police Department;
2. One member from the Department of Planning and Permitting;



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- 3. One member from the Department of the Prosecuting Attorney;
- 4. One member from the Department of the Corporation Counsel; and
- 5. Three members appointed by the Council; and

BE IT FURTHER RESOLVED that the task force shall submit a written report of its findings and recommendations to the Council no later than 90 days after the adoption of this resolution and prior to its dissolution; and

BE IT FURTHER RESOLVED that the task force shall dissolve on June 30, 2025; and

BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the Mayor, the Managing Director, the Chief of Police, the Director of Planning and Permitting, the Prosecuting Attorney, and the Corporation Counsel.

INTRODUCED BY:

Tommy Waters

Tyler Dos Santos-Tam

DATE OF INTRODUCTION:

May 17, 2024
Honolulu, Hawai'i

Councilmembers

Report Title:

Gambling; Game Rooms; Offenses; Task Force; Act 111, SLH 2022; Honolulu Police Department ("HPD"); Department of Planning and Permitting ("DPP"); Department of the Prosecuting Attorney ("PAT"); Department of the Corporation Counsel ("COR"); Report

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