

TESTIMONY  
OF  
NELSON OYADOMARI, CHAIR  
STADIUM AUTHORITY

TO THE  
HOUSE COMMITTEE ON  
WATER, LAND, & OCEAN RESOURCES

ON  
February 3, 2012  
9:00 a.m.

H.B. 2734

RELATING TO ALOHA STADIUM.

Chair Chang, Vice Chair Har, and members of the Committee, thank you for the opportunity to testify on H.B. 2734. As Chair of the Stadium Authority Board, this testimony is presented and submitted on behalf of the Stadium Authority Board.

The Stadium Authority Board opposes H.B. 2734. Although we understand and are compassionate to the plight of the University of Hawaii's need to increase total revenues, the Stadium's appropriated budget ceiling and its available cash is based on maintaining ongoing operations at the stadium and does not budget to accommodate a redirection of funds to the University of Hawaii. A redirection of Stadium revenue has the potential to accelerate the Stadium's likelihood of an operating deficit that will eventually have to be made up through the general fund. A redirection of funds would also result in continued delay of repair and maintenance projects that had been previously postponed due to an economically strained and fragile state economy and the uncertainty of its future revenue stream. Neglected and postponed repair and maintenance will also result in significantly higher costs in the future.

# LATE TESTIMONY

The Stadium Authority Board certainly does value the ongoing professional relationship with the University of Hawaii and has and continues to support the University through revenue enhancement opportunities as well as cost-cutting measures. The Stadium Authority Board also continues to work to enhance the fan experience; at times to the Stadium's financial disadvantage.

As the Stadium recovers from a multi-year span of limited use due to multiple capital improvement projects and a weakened economy, it strives to increase revenue and replenish its cash position to remain fiscally sound. If the Stadium Authority Board were to support this bill, the Board would be breaching its fiduciary obligation to the Stadium and to the State of Hawaii.

Therefore, we cannot support H.B. 2734. Thank you for your time and consideration of our testimony. Please feel free to call me at 4832750 if I can be of further assistance on this matter.