

Honolulu, Hawaii

, 2019

APR 26

RE: H.B. No. 1586
H.D. 1
S.D. 2
C.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Honorable Ronald D. Kouchi
President of the Senate
Thirtieth State Legislature
Regular Session of 2019
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 1586, H.D. 1, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE STRUCTURE OF GOVERNMENT,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to revitalize certain lands under the jurisdiction of the Stadium Authority by:

- (1) Establishing a stadium development district under the authority of the Stadium Authority;
- (2) Providing the Hawaii Community Development Authority with the authority to develop the lands contained in the stadium development district;



- (3) Establishing lease restrictions applicable to all leases within the stadium development district;
- (4) Requiring the Department of Land and Natural Resources to transfer the fee simple interest of lands under the control or jurisdiction of the Stadium Authority to the Stadium Authority as grantee;
- (5) Authorizing the lapse of a prior appropriation for a capital improvement project under Act 49, Session Laws of Hawaii 2017, as renumbered by Act 53, Session Laws of Hawaii 2018, and transferring and appropriating the lapsed amount to the Hawaii Community Development Authority to establish and develop the stadium development district for public use;
- (6) Appropriating general funds of \$50,000,000 to the Hawaii Community Development Authority for the establishment and development of the stadium development district for public use;
- (7) Authorizing the Director of Finance to issue reimbursable general obligation bonds of \$150,000,000 and appropriating that sum for the Hawaii Community Development Authority to establish the stadium development district and build a new stadium; and
- (8) Authorizing the Director of Finance to issue general obligation bonds of \$150,000,000 and appropriating that sum to the Hawaii Community Development Authority to build a new stadium.

Your Committee on Conference finds that the redevelopment of lands under the jurisdiction of the Stadium Authority and the Department of Accounting and General Services could benefit from the Hawaii Community Development Authority administering the project.

Your Committee on Conference amended this measure by deleting the majority of its contents and replacing it with the contents of H.B. No. 1497, H.D. 3, which:

- (1) Also establishes a stadium development district under the jurisdiction of the Stadium Authority;
- (2) Also appropriates general funds of \$50,000,000 to the Hawaii Community Development Authority for the



establishment and development of the stadium development district for public use;

- (3) Authorizes the Hawaii Community Development Authority to issue revenue bonds of up to \$150,000,000 to implement the stadium development district and build a new stadium;
- (4) Also authorizes the Director of Finance to issue general obligation bonds of \$150,000,000 and appropriates that sum to the Hawaii Community Development Authority to build a new stadium;
- (5) Also authorizes the lapse of a prior appropriation for a capital improvement project under Act 49, Session Laws of Hawaii 2017, as amended by Act 53, Session Laws of Hawaii 2018; and
- (6) Authorizes the Director of Finance to issue general obligation bonds of \$9,405,252 and appropriates that sum to the Hawaii Community Development Authority to build a new stadium.

In addition, your Committee on Conference has further amended the contents of H.B. No. 1497, H.D. 3, by:

- (1) Retaining language from H.B. No. 1586, S.D. 2, which requires the Department of Land and Natural Resources to transfer the fee simple interest of lands under the control or jurisdiction of the Stadium Authority to the Stadium Authority as grantee; but without the provisions relating to either the extinguishment of claims and liabilities against the Department of Land and Natural Resources or the transfer initiation date;
- (2) Requiring the Hawaii Community Development Authority, the Comptroller, and the Stadium Authority to execute a memorandum of agreement with appropriate state agencies for matters affecting the stadium development district;
- (3) Requiring the Hawaii Community Development Authority to submit annual comprehensive reports to the Legislature on the progress of the development within the stadium development district;
- (4) Providing the Hawaii Community Development Authority with an exception to the lease term limit of sixty-five years



for real or personal property in a redevelopment project, by specifying that leases in the stadium development district shall not exceed ninety-nine years;

- (5) Decreasing the general fund appropriation to the Hawaii Community Development Authority from \$50,000,000 to \$20,000,000;
- (6) Increasing the revenue bond authorization from \$150,000,000 to \$180,000,000 and deleting the building of a new stadium as a specified purpose for both the revenue bond authorization and the general obligation bond authorization;
- (7) Deleting the provisions relating to the lapse of the prior appropriation for a capital improvement project under Act 49, Session Laws of Hawaii 2017, as amended by Act 53, Session Laws of Hawaii 2018;
- (8) Deleting the provisions relating to the issuance of general bond obligations of \$9,405,252 for the Hawaii Community Development Authority to build a new stadium;
- (9) Changing the effective date from January 1, 2050, to July 1, 2019; and
- (10) Making technical nonsubstantive changes for the purposes of clarity, consistency, and style.

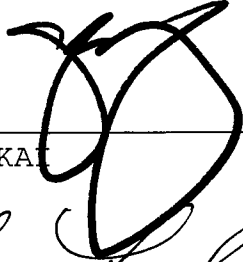
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 1586, H.D. 1, S.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 1586, H.D. 1, S.D. 2, C.D. 1.




Respectfully submitted on behalf
of the managers:

ON THE PART OF THE SENATE


ON THE PART OF THE HOUSE




GLENN WAKAI
Chair



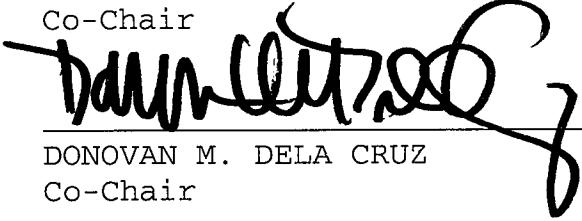
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