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# A BILL FOR AN ACT

RELATING TO GOVERNMENT OPERATIONS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

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PART I

SECTION 1. The legislature finds that the effective, efficient, and appropriate development and redevelopment of state lands is an important priority, both for the purposes of economic development and for the creation of new facilities that benefit the public. However, at present, land development expertise is fragmented and disbursed throughout state government. The office of planning and sustainable development and the Hawaii state energy office are a part of the department of business, economic development, and tourism, and the Hawaii green infrastructure authority is administratively attached to that department. The State's two real estate development agencies, the Hawaii housing finance and development corporation and Hawaii community development authority, are also administratively attached to the department of business, economic development, and tourism. The director of the office of planning and sustainable development and the executive



1 director of the Hawaii housing finance and development  
2 corporation are the co-chairs of the Hawaii interagency council  
3 for transit-oriented development. The Hawaii technology  
4 development corporation is administratively attached to the  
5 department of business, economic development, and tourism and  
6 has recently become responsible for the development of the first  
7 responders campus on Oahu. The Hawaii tourism authority is also  
8 administratively attached to the department of business,  
9 economic development, and tourism and is considering  
10 redeveloping all or a part of the Hawaii convention center.

11 On the other hand, the stadium authority is currently  
12 attached to the department of accounting and general services  
13 and is responsible for the construction of a new stadium and the  
14 development of the area surrounding the stadium, which includes  
15 more than seventy acres, is adjacent to the new Honolulu rail  
16 line, and is currently used as a parking lot. Similarly, the  
17 school facility authority is currently attached to the  
18 department of education and is responsible for the development  
19 and redevelopment of school facilities and related state lands  
20 including potential mixed-use developments.



1 Consolidating the State's land development functions within  
2 the department of business, economic development, and tourism  
3 would centralize the State's land development expertise and  
4 thereby more efficiently use the State's limited financial  
5 resources and personnel.

6 Accordingly, the purpose of this Act is to improve the  
7 operation of state government by:

- 8 (1) Restoring the director of business, economic  
9 development, and tourism to the board of directors of  
10 the Hawaii tourism authority as an ex officio voting  
11 member;
- 12 (2) Transferring the stadium authority and the school  
13 facilities authority to the department of business,  
14 economic development, and tourism;
- 15 (3) Amending the Hawaii community development authority  
16 membership to include the director of business,  
17 economic development, and tourism and the director of  
18 the office of planning and permitting of each county,  
19 or their designee, in which a community development  
20 district is located; and



1 (4) Amending representatives on each community development  
2 district board from three to two at-large members.

3 PART II

4 SECTION 2. The purpose of this part is to add the director  
5 of business, economic development, and tourism to the board of  
6 the Hawaii tourism authority as an ex officio voting member.

7 SECTION 3. Section 201B-2, Hawaii Revised Statutes, is  
8 amended by amending subsection (b) to read as follows:

9 "(b) The authority shall be headed by a policy-making  
10 board of directors that shall consist of twelve members;  
11 provided that:

12 (1) The members shall be appointed by the governor as  
13 provided in section 26-34, except as provided by this  
14 section;

15 (2) The members shall include at least one representative  
16 each from the city and county of Honolulu and the  
17 counties of Hawaii, Kauai, and Maui;

18 (3) Three members shall be appointed by the governor from  
19 a list of three names submitted for each appointment  
20 by the president of the senate, and three members  
21 shall be appointed by the governor from a list of



1 three names submitted for each appointment by the  
2 speaker of the house of representatives; provided that  
3 if fewer than three names are submitted for each  
4 appointment, the governor may disregard the list;

5 (4) At least six members shall have knowledge, experience,  
6 and expertise in the area of accommodations,  
7 transportation, retail, entertainment, or attractions,  
8 and at least one member appointed by the governor  
9 shall have knowledge, experience, and expertise in the  
10 area of Hawaiian cultural practices; provided that no  
11 more than three members shall represent, be employed  
12 by, or be under contract to any sector of the industry  
13 represented on the board;

14 (5) One member shall be the director of business, economic  
15 development, and tourism, or the director's designee,  
16 who shall be an ex officio voting member;

17 ~~[(5)]~~ (6) The governor shall make appointments to ensure  
18 the fulfillment of all requirements of paragraphs (2)  
19 and (4); provided that upon the occurrence of a  
20 vacancy subject to paragraph (3), the governor shall  
21 notify the president of the senate and the speaker of



1 the house of representatives of any unfulfilled  
2 requirements pursuant to paragraphs (2) and (4), and  
3 the president of the senate or the speaker of the  
4 house of representatives, as appropriate, shall submit  
5 nominees who fulfill those requirements; and  
6 [~~6~~] (7) No person who has served as a member of the board  
7 of directors of the Hawaii Visitors and Convention  
8 Bureau shall be eligible to sit as a member of the  
9 board of directors of the Hawaii tourism authority  
10 until at least two years have expired between the  
11 person's termination from service on the Hawaii  
12 Visitors and Convention Bureau board and the person's  
13 appointment to the authority's board of directors."

14 SECTION 4. The amendments made to section 201B-2, Hawaii  
15 Revised Statutes, shall apply to any vacancy of a Hawaii tourism  
16 authority board of directors member appointed pursuant to  
17 section 201B-2(b)(2) or (4), Hawaii Revised Statutes, that  
18 occurs on or after the effective date of this Act.

19 PART III

20 SECTION 5. The purpose of this part is to:



- 1           (1) Transfer the stadium authority from the department of  
2           accounting and general services to the department of  
3           business, economic development, and tourism; and
- 4           (2) Make various amendments to chapter 206E, Hawaii  
5           Revised Statutes, to change the membership of the  
6           Hawaii community development authority, the  
7           composition of the various community development  
8           districts boards, and specify quorum requirements.

9           SECTION 6. Section 109-1, Hawaii Revised Statutes, is  
10          amended by amending subsection (a) to read as follows:

11           "(a) There shall be within the department of accounting  
12          and general services for administrative purposes only, a stadium  
13          authority whose responsibility shall be to maintain, operate,  
14          and manage the stadium [~~development district.~~] and facilities  
15          attached thereto. The authority shall consist of eleven members  
16          who shall be appointed by the governor in the manner prescribed  
17          by section 26-34.

18           Of the eleven members:

- 19           (1) One member shall be a resident of one of the following  
20           areas:



- 1 (A) Excluding Ford Island, the area beginning at the  
2 intersection of the shoreline and Admiral Clarey  
3 (Ford Island) Bridge and running:  
4 (i) Easterly along said bridge to Salt Lake  
5 boulevard;  
6 (ii) Southeasterly along said boulevard to  
7 Luapele drive;  
8 (iii) Westerly along said drive to Fleet place;  
9 (iv) Westerly along said place to Ulihi street;  
10 (v) Southwesterly along said street to Luapele  
11 road;  
12 (vi) Westerly along said road to Ulihi road;  
13 (vii) Westerly along said road to Makalapa drive;  
14 (viii) Southwesterly along said drive to Halawa  
15 drive;  
16 (ix) Northwesterly along said drive to Kamehameha  
17 highway;  
18 (x) Northerly along said highway to Halawa  
19 stream;  
20 (xi) Westerly along said stream to the shoreline;  
21 and





- 1                   (xii) Northerly along said shoreline to its
- 2                               intersection with Admiral Clarey (Ford
- 3                               Island) Bridge;
- 4           (B) The area beginning at the intersection of Kaonohi
- 5                   street and H-1 freeway and running:
- 6                   (i) Southeasterly along said freeway to the
- 7                               Moanalua freeway - Kamehameha highway
- 8                               connector;
- 9                   (ii) Northwesterly along said highway connector
- 10                              to Kamehameha highway;
- 11                   (iii) Northwesterly along said highway to Aiea
- 12                              stream;
- 13                   (iv) Southerly along said stream to the
- 14                              shoreline;
- 15                   (v) Northwesterly along said shoreline to
- 16                              Kalauao stream;
- 17                   (vi) Northeasterly along said stream to
- 18                              Kamehameha highway;
- 19                   (vii) Northwesterly along said highway to Kaonohi
- 20                              street; and



- 1           (viii)   Northeasterly along said street to its
- 2                           intersection with H-1 freeway; or
- 3           (C)   The area beginning at the intersection of Waimalu
- 4                           stream and Koolau ridge and running:
- 5                   (i)   Southeasterly along said ridge to
- 6                           Ewa-Honolulu district boundary;
- 7                   (ii)   Southwesterly along said boundary to Red
- 8                           Hill Naval Reservation boundary;
- 9                   (iii)   Southwesterly along said boundary to Tampa
- 10                           drive;
- 11                   (iv)   Westerly along said drive to the unnamed
- 12                           road;
- 13                   (v)   Northerly along said road to Icarus way;
- 14                   (vi)   Westerly along said way to the unnamed road;
- 15                   (vii)   Southwesterly along said road to Moanalua
- 16                           freeway (H-201);
- 17                   (viii)   Westerly along said freeway to H-1 freeway;
- 18                   (ix)   Northwesterly along said freeway to Kaonohi
- 19                           street;
- 20                   (x)   Southwesterly along said street to Moanalua
- 21                           road;



- 1                   (xi) Westerly along said road to Kaahumanu
- 2                                   street;
- 3                   (xii) Northerly along said street to Komo Mai
- 4                                   drive;
- 5                   (xiii) Easterly along said drive to Punanani gulch;
- 6                   (xiv) Northeasterly along said gulch to the
- 7                                   powerline;
- 8                   (xv) Southeasterly along said powerline to
- 9                                   Waimalu stream;
- 10                  (xvi) Northeasterly along said stream to Aiea
- 11                                   stream;
- 12                  (xvii) Easterly along said stream to Waimalu
- 13                                   stream; and
- 14                  (xviii) Southeasterly along said stream to its
- 15                                   intersection with Koolau ridge; and
- 16           (2) One member shall be from the area beginning at the
- 17                                   intersection of H-1 freeway and Moanalua freeway
- 18                                   (H-201) and running:
- 19                  (A) Southeasterly along said freeway to Aliamanu
- 20                                   Military Reservation southern boundary;
- 21                  (B) Westerly along said boundary to Wanaka street;



- 1 (C) Southwesterly along said street to Likini street;
- 2 (D) Northwesterly along said street to Ukana street;
- 3 (E) Southwesterly along said street to Keaka drive;
- 4 (F) Northwesterly along said drive to Manuwa drive;
- 5 (G) Southeasterly along said drive to Pakini street;
- 6 (H) Southwesterly along said street to Keaka drive;
- 7 (I) Southerly along said drive to Puolo drive;
- 8 (J) Westerly along said drive to Likini street;
- 9 (K) Southerly along said street to Maluna street;
- 10 (L) Westerly along said street to Salt Lake
- 11 boulevard;
- 12 (M) Southeasterly along said boulevard to the former
- 13 street entrance to U.S. Naval Reservation;
- 14 (N) Southwesterly along said feature to Reeves loop;
- 15 (O) Southwesterly along said loop to Radford drive;
- 16 (P) Westerly along said drive to H-1 freeway; and
- 17 (Q) Northerly along said freeway to its intersection
- 18 with Moanalua freeway (H-201).

19 Each member of the authority shall have been a citizen of the  
20 United States and a resident of the State for at least five  
21 years next preceding the member's appointment. The eleven



1 members shall include the president of the University of Hawaii  
2 and the superintendent of education, who shall be ex officio  
3 members of the authority but shall not vote."

4 SECTION 7. Section 109-2, Hawaii Revised Statutes, is  
5 amended to read as follows:

6 "§109-2 Stadium authority; powers and duties. The powers  
7 and duties of the stadium authority shall be as follows:

- 8 (1) To repair, maintain, and operate stadium facilities  
9 ~~[and the stadium development district]~~, including:  
10 (A) Repairs, maintenance, operations, and demolition  
11 of existing stadium facilities;  
12 (B) Operations and maintenance of a new stadium; and  
13 (C) Contractual payments to developers, contractors,  
14 or management contractors engaged by the stadium  
15 authority;  
16 (2) To coordinate in planning, design, and construction  
17 activities, including on-site repairs, within the  
18 stadium ~~[development district]~~, and facilities  
19 attached thereto;  
20 (3) To acquire and hold title to real property;



- 1           (4) To prescribe and collect rents, fees, and charges for  
2           the use or enjoyment of the stadium, facilities  
3           related to the stadium, and real property held by the  
4           stadium authority, including entering into leases,  
5           contracts, sponsorship and advertising agreements,  
6           food and beverage agreements, concession agreements,  
7           parking agreements, or other development and use  
8           agreements that may apply; provided that leases shall  
9           not exceed a term of ninety-nine years;
- 10          (5) To make and execute contracts and other instruments  
11          necessary or convenient to exercise its powers under  
12          this chapter and subject to any limitations in this  
13          chapter, to exercise all powers necessary, incidental,  
14          or convenient to carry out and effectuate the purposes  
15          and provisions of this chapter;
- 16          (6) To adopt, amend, and repeal, in accordance with  
17          chapter 91, rules it may deem necessary to effectuate  
18          this chapter and in connection with its projects,  
19          operations, and facilities;
- 20          (7) To appoint officers, agents, and employees, prescribe  
21          their duties and qualifications, and fix their



1 salaries, without regard to chapters 76 and 89, to  
2 manage the stadium, the stadium development district,  
3 and its contractors; and

4 (8) To plan, promote, and market the stadium and related  
5 facilities."

6 SECTION 8. Section 206E-3, Hawaii Revised Statutes, is  
7 amended by amending subsection (b) to read as follows:

8 "(b) The authority shall consist of the director of  
9 finance or the director's designee; the director of  
10 transportation or the director's designee; the director of the  
11 department of business, economic development, and tourism or the  
12 director's designee; the director of planning and permitting of  
13 each county in which a community development district is located  
14 or the director's designee; the chairperson of the board of land  
15 and natural resources or the chairperson's designee; a cultural  
16 specialist; [~~an at-large member;~~] an at-large member nominated  
17 by the [~~senate;~~] president of the senate; an at-large member  
18 nominated by the speaker of the house[+] of representatives;  
19 [~~three~~] two representatives of the Heeia community development  
20 district, comprising [~~two residents~~] one resident of that  
21 district or the Koolaupoko district, which consists of sections



1 1 through 9 of zone 4 of the first tax map key division, and one  
2 owner of a small business or one officer or director of a  
3 nonprofit organization in the Heeia community development  
4 district or Koolaupoko district [~~, nominated by the county~~  
5 ~~council of the county in which the Heeia community development~~  
6 ~~district is located, three~~]; two representatives of the Kalaeloa  
7 community development district, comprising [~~two residents~~] one  
8 resident of the Ewa zone (zone 9, sections 1 through 2) or the  
9 Waianae zone (zone 8, sections 1 through 9) of the first tax map  
10 key division, and one owner of a small business or one officer  
11 or director of a nonprofit organization in the Ewa or Waianae  
12 zone [~~, nominated by the county council of the county in which~~  
13 ~~the Kalaeloa community development district is located, three~~];  
14 two representatives of the Kakaako community development  
15 district, comprising [~~two residents~~] one resident of the  
16 district and one owner of a small business or one officer or  
17 director of a nonprofit organization in the district [~~, nominated~~  
18 ~~by the county council of the county in which the Kakaako~~  
19 ~~community development district is located, the director of~~  
20 ~~planning and permitting of each county in which a community~~  
21 ~~development district is located or the director's designee, who~~





1 ~~shall serve in an ex officio, nonvoting capacity, and the~~  
2 ~~chairperson of the Hawaiian homes commission or the~~  
3 ~~chairperson's designee, who shall serve in an ex officio,~~  
4 ~~nonvoting capacity.]; and two representatives of the stadium~~  
5 community development district, consisting of one resident, and  
6 one owner of a small business or officer or director of a  
7 nonprofit organization in the following three areas:

- 8     (1) Excluding Ford Island, the area beginning at the  
9     intersection of the shoreline and Admiral Clarey (Ford  
10     Island) Bridge and running:
- 11         (A) Easterly along said bridge to Salt Lake  
12         boulevard;
- 13         (B) Southeasterly along said boulevard to Luapele  
14         drive;
- 15         (C) Westerly along said drive to Fleet place;
- 16         (D) Westerly along said place to Ulithi street;
- 17         (E) Southwesterly along said street to Luapele road;
- 18         (F) Westerly along said road to Ulihi road;
- 19         (G) Westerly along said road to Makalapa drive;
- 20         (H) Southwesterly along said drive to Halawa drive;



- 1           (I) Northwesterly along said drive to Kamehameha  
2           highway;
- 3           (J) Northerly along said highway to Halawa stream;
- 4           (K) Westerly along said stream to Makalapa drive;
- 5           (L) Southwesterly along said drive to Halawa drive;
- 6           (M) Northwesterly along said drive to Kamehameha  
7           highway;
- 8           (N) Northerly along said highway to Halawa stream;
- 9           (O) Westerly along said stream to the shoreline; and
- 10          (P) Northerly along said shoreline to its  
11          intersection with Admiral Clarey (Ford Island)  
12          Bridge;
- 13          (2) The area beginning at the intersection of Kaonohi  
14          street and H-1 freeway and running:
- 15          (A) Southeasterly along said freeway to the Moanalua  
16          freeway - Kamehameha highway connector;
- 17          (B) Northwesterly along said highway connector to  
18          Kamehameha highway;
- 19          (C) Northwesterly along said highway to Aiea Stream;
- 20          (D) Southeasterly along said stream to the Moanalua  
21          freeway - Kamehameha highway connector;



- 1           (E)   Northwesterly along said highway connector to
- 2                   Kamehameha highway;
- 3           (F)   Northwesterly along said highway to Aiea Stream;
- 4           (G)   Southerly along said stream to the shoreline;
- 5           (H)   Northwesterly along said shoreline to Kalauao
- 6                   stream;
- 7           (I)   Northeasterly along said stream to Kamehameha
- 8                   highway;
- 9           (J)   Northwesterly along said highway to Kaonohi
- 10                   street; and
- 11           (K)   Northeasterly along said street to its
- 12                   intersection with H-1 freeway;
- 13           (3)   The area beginning at the intersection of Waimalu
- 14                   stream and Koolau ridge and running:
- 15           (A)   Southeasterly along said ridge to Ewa-Honolulu
- 16                   district boundary;
- 17           (B)   Southwesterly along said boundary to Red Hill
- 18                   Naval Reservation boundary;
- 19           (C)   Southwesterly along said boundary to Tampa drive;
- 20           (D)   Westerly along said drive to the unnamed road;
- 21           (E)   Northerly along said road to Icarus way;



- 1           (F) Westerly along said way to the unnamed road;
- 2           (G) Southwesterly along said road to Moanalua freeway
- 3           (H-201);
- 4           (H) Westerly along said freeway to H-1 freeway;
- 5           (I) Northwesterly along said freeway to Kaonohi
- 6           Street;
- 7           (J) Southwesterly along said street to Moanalua road;
- 8           (K) Westerly along said road to Kaahumanu street;
- 9           (L) Northerly along said street to Komo Mai drive;
- 10          (M) Easterly along said drive to Punanani gulch;
- 11          (N) Northeasterly along said gulch to the powerline;
- 12          (O) Southeasterly along said powerline to Waimalu
- 13          stream;
- 14          (P) Northeasterly along said stream to Aiea Stream;
- 15          (Q) Easterly along said stream to Waimalu stream; and
- 16          (R) Southeasterly along said stream to its
- 17          intersection with Koolau ridge; or
- 18          (4) The area beginning at the intersection of H-1 freeway
- 19          and Moanalua freeway (H-201) and running:
- 20          (A) Southeasterly along said freeway to Aliamanu
- 21          Military Reservation southern boundary;



- 1           (B) Westerly along said boundary to Wanaka street;  
2           (C) Southwesterly along said street to Likini street;  
3           (D) Northwesterly along said street to Ukana street;  
4           (E) Southwesterly along said street to Keaka drive;  
5           (F) Northwesterly along said drive to Manuwa drive;  
6           (G) Southeasterly along said drive to Pakini street;  
7           (H) Southwesterly along said street to Keaka drive;  
8           (I) Southerly along said drive to Puolo drive;  
9           (J) Westerly along said drive to Likini street;  
10          (K) Southerly along said street to Maluna street;  
11          (L) Westerly along said street to Salt Lake  
12            boulevard;  
13          (M) Southeasterly along said boulevard to the former  
14            street entrance to U.S. Naval Reservation;  
15          (N) Southwesterly along said feature to Reeves loop;  
16          (O) Southwesterly along said loop to Radford drive;  
17          (P) Westerly along said drive to H-1 freeway; and  
18          (Q) Northerly along said freeway to its intersection  
19            with Moanalua freeway (H-201).

20           All members except the director of finance, director of  
21   transportation, county directors of planning and permitting,



1 ~~[and chairperson of the Hawaiian homes commission or their~~  
2 ~~designees]~~ the director of business, economic development, and  
3 tourism, or the director's designee, and the chairperson of the  
4 board of land and natural resources, shall be appointed by the  
5 governor pursuant to section 26-34. The two at-large members  
6 nominated by the ~~[senate]~~ president of the senate and speaker of  
7 the house ~~[and the nine representatives of the respective~~  
8 ~~community development districts]~~ of representatives shall each  
9 be appointed by the governor from a list of three nominees  
10 submitted for each position by the nominating authority  
11 specified in this subsection.

12 The president of the senate and the speaker of the house of  
13 representatives shall each submit a list of six nominees for  
14 each district to the governor to fill the two district  
15 representative positions on each community development district.  
16 Of the two nominees for each community development district, one  
17 nominee shall meet the district residency requirement and one  
18 nominee shall meet the district small business owner or  
19 nonprofit organization officer or director requirement. For  
20 each community development district, the governor shall appoint  
21 one member from a list of nominees submitted by the president of



1 the senate, and one member from a list of nominees submitted by  
2 the speaker of the house of representatives.

3 The authority shall be organized and shall exercise  
4 jurisdiction as follows:

5 (1) For matters affecting the Heeia community development  
6 district, the following members shall be considered in  
7 determining quorum and majority and shall be eligible  
8 to vote:

9 (A) The director of finance or the director's  
10 designee;

11 (B) The director of transportation or the director's  
12 designee;

13 (C) The director of business, economic development,  
14 and tourism or the director's designee;

15 (D) The director of planning and permitting for the  
16 county in which the Heeia community development  
17 district is located or the director's designee;

18 [~~C~~] (E) The cultural specialist;

19 [~~D~~] (F) The [~~three~~] two at-large members; and

20 [~~E~~] (G) The [~~three~~] two representatives of the Heeia  
21 community development district;



~~[provided that the director of planning and permitting  
of the relevant county or the director's designee  
shall participate in these matters as an ex officio,  
nonvoting member and shall not be considered in  
determining quorum and majority,]~~

(2) For matters affecting the Kalaeloa community  
development district, the following members shall be  
considered in determining quorum and majority and  
shall be eligible to vote:

(A) The director of finance or the director's  
designee;

(B) The director of transportation or the director's  
designee;

(C) The director of business, economic development,  
and tourism or the director's designee;

(D) The director of planning and permitting for the  
county in which the Kalaeloa community  
development district is located or the director's  
designee;

~~(C)~~ (E) The cultural specialist;

~~(D)~~ (F) The ~~three~~ two at-large members; and





1           [~~(E)~~] (G) The [~~three~~] two representatives of the  
 2                           Kalaeloa community development district;  
 3           ~~[provided that the director of planning and permitting~~  
 4           ~~of the relevant county and the chairperson of the~~  
 5           ~~Hawaiian homes commission, or their respective~~  
 6           ~~designees, shall participate in these matters as ex~~  
 7           ~~officio, nonvoting members and shall not be considered~~  
 8           ~~in determining quorum and majority,]~~

9           (3) For matters affecting the Kakaako community  
 10                           development district, the following members shall be  
 11                           considered in determining quorum and majority and  
 12                           shall be eligible to vote:

- 13                           (A) The director of finance or the director's
- 14   designee;
- 15                           (B) The director of transportation or the director's
- 16   designee;
- 17                           (C) The director of business, economic development,
- 18   and tourism or the director's designee;
- 19                           (D) The director of planning and permitting for the
- 20   county in which the Kakaako community is located
- 21   or the director's designee;



1           ~~[(C)]~~ (E) The cultural specialist;

2           ~~[(D)]~~ (F) The ~~[three]~~ two at-large members; and

3           ~~[(E)]~~ (G) The ~~[three]~~ two representatives of the

4                           Kakaako community development district;

5                           ~~[provided that the director of planning and permitting~~

6                           ~~of the relevant county or the director's designee~~

7                           ~~shall participate in these matters as an ex officio,~~

8                           ~~nonvoting member and shall not be considered in~~

9                           ~~determining quorum and majority.]~~

10           (4) For matters affecting the stadium community

11                           development district, the following members shall be

12                           considered in determining quorum and majority and

13                           shall be eligible to vote:

- 14                           (A) The director of finance or the director's
- 15   designee;
- 16                           (B) The director of transportation or the director's
- 17   designee;
- 18                           (C) The director of the department of business,
- 19   economic development, and tourism or the
- 20   director's designee;



- 1            (D) The director of planning and permitting for the
- 2            county in which the stadium community development
- 3            district is located or the director's designee;
- 4            (E) The cultural specialist;
- 5            (F) The two at-large members; and
- 6            (G) The two representatives of the stadium community
- 7            development district.

8            In the event of a vacancy, a member shall be appointed to

9            fill the vacancy in the same manner as the original appointment

10           within thirty days of the vacancy or within ten days of the

11           senate's rejection of a previous appointment, as applicable.

12           The terms of the director of finance~~[7]~~; director of

13           transportation~~[7]~~; county directors of planning and permitting~~[7]~~

14           ~~and chairperson of the Hawaiian homes commission];~~ the director

15           of business, economic development, and tourism; and the

16           chairperson of the board of land and natural resources; or their

17           respective designees shall run concurrently with each official's

18           term of office. The terms of the appointed voting members shall

19           be for four years, commencing on July 1 and expiring on

20           June 30 ~~[7 provided that the initial terms of all voting members~~

21           ~~initially appointed pursuant to Act 61, Session Laws of Hawaii~~

1 ~~2014, shall commence on March 1, 2015]~~. The governor shall  
2 provide for staggered terms of the initially appointed voting  
3 members so that the initial terms of four members selected by  
4 lot shall be for two years, the initial terms of four members  
5 selected by lot shall be for three years, and the initial terms  
6 of the remaining five members shall be for four years.

7 The governor may remove or suspend for cause any member  
8 after due notice and public hearing.

9 Notwithstanding section 92-15, a majority of all eligible  
10 voting members as specified in this subsection shall constitute  
11 a quorum to do business, and the concurrence of a majority of  
12 all eligible voting members as specified in this subsection  
13 shall be necessary to make any action of the authority valid.  
14 All members shall continue in office until their respective  
15 successors have been appointed and qualified. Except as herein  
16 provided, no member appointed under this subsection shall be an  
17 officer or employee of the State or its political subdivisions.

18 For purposes of this section, "small business" means a  
19 business [~~which~~] that is independently owned and [~~which~~] that is  
20 not dominant in its field of operation."



1 SECTION 9. Chapter 206E, Hawaii Revised Statutes, is  
2 amended by amending the title of part IX and section 206E-221 to  
3 read as follows:

4 " ~~[+] PART IX. [+] STADIUM COMMUNITY DEVELOPMENT DISTRICT~~  
5 ~~[+] §206E-221 [+] Stadium community development district;~~  
6 ~~purpose; findings.~~ The legislature finds that the approximately  
7 ninety-three-acre parcel comprising the land under the existing  
8 ~~aloha stadium and [lands under the jurisdiction of the stadium~~  
9 ~~authority and department of accounting and general services are]~~  
10 the land surrounding the existing aloha stadium is  
11 ~~underutilized. [The stadium facility has been in dire need of~~  
12 ~~significant repair and maintenance for many years. The stadium~~  
13 ~~authority has considered repairing, upgrading, and replacing the~~  
14 ~~existing facility to optimize the public's enjoyment and ensure~~  
15 ~~public safety.]~~ Redeveloping, renovating, or improving [these]  
16 this public [lands] land in a manner that will provide suitable  
17 recreational, residential, educational, and commercial areas,  
18 where the public can live, congregate, recreate, attend schools,  
19 and shop, as part of a thoughtfully integrated experience, is in  
20 the best interests of the State and its people.



1 This part establishes the stadium community development  
2 district to make optimal use of this public land for the  
3 economic, residential, educational, and social benefit of the  
4 people of Hawaii.

5 The legislature finds that the jurisdiction of the  
6 authority shall include development within the stadium community  
7 development district. Any development within the district shall  
8 require a permit from the authority."

9 SECTION 10. Section 206E-222, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "§206E-222 Definitions. As used in this part, unless the  
12 context otherwise requires:

13 [~~"Authority" or "stadium authority" means the stadium~~  
14 ~~authority established pursuant to section 109-1.]~~

15 "District" means the stadium community development district  
16 established by this part."

17 SECTION 11. Section 206E-223, Hawaii Revised Statutes, is  
18 amended by amending subsection (a) to read as follows:

19 "(a) The stadium community development district is  
20 established and shall be composed of [~~all real property under~~  
21 ~~the jurisdiction of the stadium authority established pursuant~~



1 ~~to section 109-1.~~ land surrounding the current aloha stadium,  
2 comprising approximately seventy-three acres. The [stadium]  
3 authority shall have sole jurisdiction over the development of  
4 the stadium community development district."

5 SECTION 12. Section 206E-224, Hawaii Revised Statutes, is  
6 amended to read as follows:

7 "§206E-224 Development guidance policies. The following  
8 shall be the development guidance policies generally governing  
9 the authority's actions in the district:

- 10 (1) Development shall be in accordance with stadium  
11 community development district development plans or  
12 transit-oriented development plans adopted by the  
13 [stadium] authority for the development of the  
14 district; provided that the plan or plans shall  
15 consider any county transit-oriented development plan  
16 and allow for public input in the plan's preparation  
17 and updates;
- 18 (2) The authority, upon the concurrence of a majority of  
19 its voting members, may modify and make changes to a  
20 transit-oriented development plan with respect to the  
21 district to respond to changing conditions; provided



1           that before amending a transit-oriented development  
2           plan, the authority shall conduct a public hearing to  
3           inform the public of the proposed changes and receive  
4           public input;

5           (3) The authority shall seek to promote economic  
6           development and employment opportunities by fostering  
7           diverse land uses and encouraging private sector  
8           investments that use the opportunities presented by  
9           the high-capacity transit corridor project consistent  
10          with the needs of the public, including mixed-use  
11          housing and housing in transit-oriented developments;

12          (4) The authority may engage in planning, design, and  
13          construction activities within and outside the  
14          district; provided that activities outside the  
15          district shall relate to infrastructure development,  
16          area-wide drainage improvements, roadway realignments  
17          and improvements, business and industrial relocation,  
18          and other activities the authority deems necessary to  
19          carry out development of the district and implement  
20          this part. The authority may undertake studies or  
21          coordinate activities in conjunction with the county





1 and appropriate state agencies and may address  
2 facility systems, industrial relocation, and other  
3 activities;

4 (5) Archaeological, historic, and cultural sites shall be  
5 preserved and protected in accordance with chapter 6E;

6 (6) Endangered species of flora and fauna shall be  
7 preserved to the extent required by law;

8 (7) Land use and development activities within the  
9 district shall be coordinated with and, to the extent  
10 possible, complement existing county and state  
11 policies, plans, and programs affecting the district;  
12 and

13 (8) Public facilities within the district shall be  
14 planned, located, and developed to support the  
15 development policies established by this chapter for  
16 the district and rules adopted pursuant to this  
17 chapter."

18 SECTION 13. Section 206E-225, Hawaii Revised Statutes, is  
19 amended to read as follows:

20 "§206E-225 Stadium community development district  
21 governance; memorandum of agreement. [~~Notwithstanding sections~~



1 ~~206E-3 and 206E-4.1, the stadium authority established pursuant~~  
2 ~~to section 109-1 shall have sole jurisdiction regarding matters~~  
3  ~~affecting the stadium development district; provided that the~~  
4  ~~Hawaii community development] The authority [ , department of~~  
5  ~~accounting and general services, and stadium authority] and~~  
6 other state agencies ~~[shall]~~ may enter into a memorandum of  
7 agreement regarding the implementation of responsibilities of  
8 the respective agencies."

9 SECTION 14. Section 206E-226, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 "[+]§206E-226[+] Annual comprehensive report. Not less  
12 than twenty days prior to the convening of each regular session  
13 of the legislature, the authority shall submit to the  
14 legislature an annual comprehensive status report on the  
15 progress of development within the stadium community development  
16 district."

17 SECTION 15. Act 268, Session Laws of Hawaii 2019,  
18 section 6, as amended by section 5 of Act 4, Session Laws of  
19 Hawaii 2020, as amended by section 18 of Act 146, Session Laws  
20 of Hawaii 2021, is amended to read as follows:



1 "SECTION 6. The director of finance is authorized to issue  
2 general obligation bonds in the sum of [~~\$170,000,000~~  
3 \$350,000,000 or so much thereof as may be necessary and the same  
4 sum or so much thereof as may be necessary is appropriated for  
5 fiscal year 2019-2020 to the stadium authority for the stadium  
6 development district; provided that the appropriation made for  
7 the capital improvement project authorized by this section shall  
8 not lapse at the end of the fiscal year for which the  
9 appropriation is made; provided further that all moneys from the  
10 appropriation unencumbered as of June 30, 2024, shall lapse as  
11 of that date.

12 The sum appropriated shall be expended by the stadium  
13 authority for the purposes of this Act."

14 SECTION 16. All rights, powers, functions, and duties of  
15 the stadium authority and the department of accounting and  
16 general services as they relate to the stadium authority are  
17 transferred to the department of business, economic development,  
18 and tourism.

19 All officers and employees whose functions are transferred  
20 by this part shall be transferred with their functions and shall



1 continue to perform their regular duties upon their transfer,  
2 subject to the state personnel laws and this part.

3 No officer or employee of the State having tenure shall  
4 suffer any loss of salary, seniority, prior service credit,  
5 vacation, sick leave, or other employee benefit or privilege as  
6 a consequence of this part, and such officer or employee may be  
7 transferred or appointed to a civil service position without the  
8 necessity of examination; provided that the officer or employee  
9 possesses the minimum qualifications for the position to which  
10 transferred or appointed; and provided that subsequent changes  
11 in status may be made pursuant to applicable civil service and  
12 compensation laws.

13 An officer or employee of the State who does not have  
14 tenure and who may be transferred or appointed to a civil  
15 service position as a consequence of this part shall become a  
16 civil service employee without the loss of salary, seniority,  
17 prior service credit, vacation, sick leave, or other employee  
18 benefits or privileges and without the necessity of examination;  
19 provided that such officer or employee possesses the minimum  
20 qualifications for the position to which transferred or  
21 appointed.



1           If an office or position held by an officer or employee  
2 having tenure is abolished, the officer or employee shall not  
3 thereby be separated from public employment, but shall remain in  
4 the employment of the State with the same pay and classification  
5 and shall be transferred to some other office or position for  
6 which the officer or employee is eligible under the personnel  
7 laws of the State as determined by the head of the department or  
8 the governor.

9           SECTION 17. All rules, policies, procedures, guidelines,  
10 and other material adopted or developed by the stadium authority  
11 or the department of accounting and general services to  
12 implement provisions of the Hawaii Revised Statutes that are  
13 reenacted or made applicable to the department of business,  
14 economic development, and tourism by this part shall remain in  
15 full force and effect until amended or repealed by the  
16 department of business, economic development, and tourism  
17 pursuant to chapter 91, Hawaii Revised Statutes.

18           In the interim, every reference to the stadium authority,  
19 department of accounting and general services, or comptroller in  
20 those rules, policies, procedures, guidelines, and other  
21 material is amended to refer to the department of business,



1 economic development, and tourism or director of business,  
2 economic development, and tourism, as appropriate.

3 SECTION 18. All deeds, leases, contracts, loans,  
4 agreements, permits, or other documents executed or entered into  
5 by or on behalf of the stadium authority or the department of  
6 accounting and general services, pursuant to the provisions of  
7 the Hawaii Revised Statutes, that are reenacted or made  
8 applicable to the department of business, economic development,  
9 and tourism by this part shall remain in full force and effect.  
10 Upon the effective date of this part, every reference to the  
11 stadium authority, department of accounting and general  
12 services, or the comptroller therein shall be construed as a  
13 reference to the department of business, economic development,  
14 and tourism or the director of business, economic development,  
15 and tourism, as appropriate.

16 SECTION 19. All appropriations, records, equipment,  
17 machines, files, supplies, contracts, books, papers, documents,  
18 maps, and other personal property heretofore made, used,  
19 acquired, or held by the stadium authority or the department of  
20 accounting and general services relating to the functions  
21 transferred to the department of business, economic development,



1 and tourism shall be transferred with the functions to which  
2 they relate.

3 PART IV

4 SECTION 20. The purpose of this part is to transfer the  
5 school facilities authority from the department of education to  
6 the department of business, economic development, and tourism  
7 for administrative purposes.

8 SECTION 21. Section 302A-1702, Hawaii Revised Statutes, is  
9 amended by amending subsection (a) to read as follows:

10 "(a) There is established the school facilities authority,  
11 which shall be a body corporate and a public instrumentality of  
12 the State. The authority shall be placed within the department  
13 of business, economic development, and tourism for  
14 administrative purposes only."

15 SECTION 22. Section 302A-1704, Hawaii Revised Statutes, is  
16 amended by amending subsection (b) to read as follows:

17 "(b) The board shall consist of five voting members. The  
18 director of business, economic development, and tourism or the  
19 director's designee shall be an ex officio voting member of the  
20 board. The remaining four members shall:



- 1 (1) Be appointed by the governor pursuant to section
- 2 26-34;
- 3 (2) Have an interest in public school facilities;
- 4 (3) Include one member actively or previously engaged in
- 5 the construction industry for at least five years; and
- 6 (4) Serve without compensation but may be reimbursed for
- 7 expenses, including travel expenses, necessary for the
- 8 performance of their duties."

9 SECTION 23. The amendments made to section 302A-1704(b),  
10 Hawaii Revised Statutes, shall apply to any vacancy of a school  
11 facilities authority board of directors member that occurs on or  
12 after the effective date of this Act.

13 SECTION 24. All rights, powers, functions, and duties of  
14 the department of education as they relate to the school  
15 facilities authority are transferred to the department of  
16 business, economic development, and tourism.

17 All officers and employees whose functions are transferred  
18 by this part shall be transferred with their functions and shall  
19 continue to perform their regular duties upon their transfer,  
20 subject to the state personnel laws and this part.





1           No officer or employee of the State having tenure shall  
2 suffer any loss of salary, seniority, prior service credit,  
3 vacation, sick leave, or other employee benefit or privilege as  
4 a consequence of this part, and such officer or employee may be  
5 transferred or appointed to a civil service position without the  
6 necessity of examination; provided that the officer or employee  
7 possesses the minimum qualifications for the position to which  
8 transferred or appointed; and provided that subsequent changes  
9 in status may be made pursuant to applicable civil service and  
10 compensation laws.

11           An officer or employee of the State who does not have  
12 tenure and who may be transferred or appointed to a civil  
13 service position as a consequence of this part shall become a  
14 civil service employee without the loss of salary, seniority,  
15 prior service credit, vacation, sick leave, or other employee  
16 benefits or privileges and without the necessity of examination;  
17 provided that such officer or employee possesses the minimum  
18 qualifications for the position to which transferred or  
19 appointed.

20           If an office or position held by an officer or employee  
21 having tenure is abolished, the officer or employee shall not



1 thereby be separated from public employment, but shall remain in  
2 the employment of the State with the same pay and classification  
3 and shall be transferred to some other office or position for  
4 which the officer or employee is eligible under the personnel  
5 laws of the State as determined by the head of the department or  
6 the governor.

7 SECTION 25. All rules, policies, procedures, guidelines,  
8 and other material adopted or developed by the department of  
9 education to implement provisions of the Hawaii Revised Statutes  
10 that are reenacted or made applicable to the department of  
11 business, economic development, and tourism by this part shall  
12 remain in full force and effect until amended or repealed by the  
13 department of business, economic development, and tourism  
14 pursuant to chapter 91, Hawaii Revised Statutes.

15 In the interim, every reference to the department of  
16 education or superintendent in those rules, policies,  
17 procedures, guidelines, and other material is amended to refer  
18 to the department of business, economic development, and tourism  
19 or director of business, economic development, and tourism, as  
20 appropriate.



1 SECTION 26. All deeds, leases, contracts, loans,  
2 agreements, permits, or other documents executed or entered into  
3 by or on behalf of the department of education, pursuant to the  
4 provisions of the Hawaii Revised Statutes, that are reenacted or  
5 made applicable to the department of business, economic  
6 development, and tourism by this part shall remain in full force  
7 and effect. Upon the effective date of this part, every  
8 reference to the department of education or the superintendent  
9 therein shall be construed as a reference to the department of  
10 business, economic development, and tourism or the director of  
11 business, economic development, and tourism, as appropriate.

12 SECTION 27. All appropriations, records, equipment,  
13 machines, files, supplies, contracts, books, papers, documents,  
14 maps, and other personal property heretofore made, used,  
15 acquired, or held by the department of education relating to the  
16 functions transferred to the department of business, economic  
17 development, and tourism shall be transferred with the functions  
18 to which they relate.

19 PART V

20 SECTION 28. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.



1 SECTION 29. This Act shall take effect on July 1, 2050;  
2 provided that the department of business, economic development,  
3 and tourism's acquisition and recorded transfer of title of  
4 Mililani Tech Park Lot #17 pursuant to Act 40, Session Laws of  
5 Hawaii 2019, and Act 6, Session Laws of Hawaii 2020, is  
6 complete.



**Report Title:**

Department of Business, Economic Development, and Tourism; Department of Accounting and General Services; Department of Education; Hawaii Tourism Authority; Stadium Authority; School Facilities Authority; Transfer

**Description:**

Establishes the Director of Business, Economic Development, and Tourism, or a designee of the Director, as an ex officio voting board member of the Hawaii Tourism Authority and the School Facilities Authority. Transfers the Stadium Authority and the School Facilities Authority from the Department of Accounting and General Services and Department of Education, respectively, to the Department of Business, Economic Development, and Tourism. Increases the amount of general obligation bonds that may be issued for the Stadium Development District. Amends the Hawaii Community Development Authority membership to include the Director of Business, Economic Development, and Tourism and the Director of the Office of Planning and Permitting of each county, or their designee, in which a community development district is located. Amends community representatives on each board from three to two at-large members. Effective 7/1/2050.  
(SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

