

Honolulu, Hawaii

MAR 23 , 2022

RE: S.B. No. 3334
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Economic Development, to which was referred
S.B. No. 3334, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO GOVERNMENT OPERATIONS,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Director of Business, Economic Development, and Tourism as an ex officio voting member of the Hawaii Tourism Authority and School Facilities Authority;
- (2) Remove the authority of the Stadium Authority to maintain, operate, and manage the stadium development district and instead require the Stadium Authority to maintain, operate, and manage the Stadium and attached facilities;
- (3) Amend the composition of the Hawaii Community Development Authority and community development districts;
- (4) Rename the Stadium Development District the Stadium Community Development District;



- (5) Transfer the authority of the Stadium Community Development District from the Stadium Authority to the Hawaii Community Development Authority;
- (6) Increase the amount of general obligation bonds issued for the Stadium Community Development District; and
- (7) Transfer the Stadium Authority and 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.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and Tourism; and Hawaii Community Development Authority. Your Committee received testimony in opposition to this measure from four individuals. Your Committee received comments on this measure from the Department of Budget and Finance, Department of Accounting and General Services, Department of Education, Stadium Authority, Hawai'i Tourism Authority, and School Facilities Authority.

Your Committee finds that the effective and efficient development and redevelopment of state lands is an important priority. However, your Committee further finds that expertise with land development is currently spread across various state departments and agencies, which causes discrepancies in the State's plan to efficiently utilize state lands for Hawaii residents. Your Committee notes that the Stadium Authority and School Facilities Authority, both responsible for the development of certain state lands, are currently in the Department of Accounting and General Services and Department of Education, respectively. Your Committee believes that centralizing the State's land development functions within a single department will better ensure that all state lands are being properly utilized.

Your Committee also finds that the companion to this measure, H.B. 2470, H.D. 2 (Regular Session of 2022), was previously passed by the House.

Your Committee has amended this measure by:



- (1) Deleting its contents and inserting the contents of H.B. 2470, H.D. 2, a measure that:
 - (A) Establishes the Director of Business, Economic Development, and Tourism, or the Director's designee, as an ex officio, voting member of the Hawaii Tourism Authority, Stadium Authority, and School Facilities Authority;
 - (B) Repeals the Stadium Development Special Fund's exemption from the departmental administrative expenses assessment;
 - (C) Transfers the Stadium Authority from the Department of Accounting and General Services to the Department of Business, Economic Development, and Tourism;
 - (D) Amends the composition of the Stadium Authority;
 - (E) On July 1, 2023, transfers the School Facilities Authority from the Department of Education to the Department of Business, Economic Development, and Tourism; and
 - (F) Contains an effective date of October 18, 2050;
- (2) Inserting language that reduces the amount of general obligation bonds that may be issued for the Stadium Development District; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Economic Development that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3334, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3334, S.D. 2, H.D. 1, and be referred to your Committee on Finance.

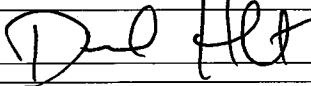


Respectfully submitted on
behalf of the members of the
Committee on Economic
Development,



SEAN QUINLAN, Chair

Record of Votes of the Committee on Economic Development

Bill/Resolution No.: SB 3334 SDZ	Committee Referral: ECD, FIN	Date: 3/18/22		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
ECD Members	Ayes	Ayes (WR)	Nays	Excused
1. QUINLAN, Sean (C)	✓			
2. HOLT, Daniel (VC)	✓			
3. BELATTI, Della Au	✓			
4. KOBAYASHI, Dale T.	✓			
5. ONISHI, Richard H.K.	✓			
6. SAYAMA, Jackson D.	✓			
7. TAKAYAMA, Gregg	✓			
8. OKIMOTO, Val	✓			
TOTAL (8)	8	0	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
If joint referral, _____ did not support recommendation. <small>committee acronym(s)</small>				
Vice Chair's or designee's signature: <u></u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				