

STAND. COM. REP. NO.

2556

Honolulu, Hawaii

FEB 16 2024

RE: S.B. No. 3197
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Energy, Economic Development, and Tourism,
to which was referred S.B. No. 3197 entitled:

"A BILL FOR AN ACT RELATING TO ADVERTISING,"

begs leave to report as follows:

The purpose and intent of this measure is to exempt
billboards and outdoor advertising devices displayed with
authorization of the Stadium Authority within the Stadium
Development District.

Your Committee received testimony in support of this measure
from the Stadium Authority, Hawai'i Community Development
Authority, Hawaii Masons' and Plasterers' Unions Stabilization
Fund, and Chamber of Commerce Hawaii.

Your Committee received testimony in opposition to this
measure from the Outdoor Circle, the North Shore Community Land
Trust, Hawaii's Thousand Friends, Haleiwa Waialua Historical
Society, Manoa Outdoor Circle, and eighty-four individuals.

Your Committee finds that well-designed advertising in both
the Stadium and Convention Center can offer many benefits,
including generating revenue to contribute to higher quality
entertainment facilities; publicizing sports events, music events,
and businesses to gather the community; and positively



contributing to the branding, image, and overall entertainment experience in both areas.

Prior to the decision making hearing on this measure, your Committee circulated a proposed S.D.1 among the members that included consensus language from stakeholders that addresses a number of the issues raised at the public hearing held on this measure, which would add more restrictions to outdoor advertising devices at the Convention Center and stadium and also authorize the sale or lease of naming rights for the stadium. After further discussion, your Committee finds additional amendments are necessary to incorporate concerns regarding the visibility of displays within the Stadium Development District.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to authorize the Stadium Authority to sell or lease the naming rights of the stadium facility or any portion of the stadium facility or building therein to any public or private entity;
- (2) Inserting language to authorize the Stadium Authority to sell or lease the naming rights of the convention center facility or any portion of the convention center facility to any public or private entity and requiring that any revenues derived therefrom be deposited into the Convention Center Enterprise Special Fund;
- (3) Clarifying that no person shall display any outdoor advertising device except for:
 - (A) Any outdoor advertising device displayed with the authorization of the Stadium Authority, on any scoreboard of the stadium managed by the Authority;
 - (B) Any billboard or outdoor advertising device displayed with the authorization of the Stadium Authority, within the stadium facility; provided that the outdoor device displayed shall face the interior of the stadium facility, be designed for pedestrians within the stadium facility, and not be used solely for the purposes of commercial advertising;



- (C) Any outdoor advertising device for naming the stadium facility, which may include the name and brand of a public or private entity, displayed with the authorization of the Stadium Authority, or in the stadium facility; provided that such a device shall not contain moving images;
 - (D) Any outdoor advertising device displayed with the authorization of the Hawaii Tourism Authority in or on the convention center facility; provided that, for displays that face the exterior of the convention center facility, the device shall consist only of the name of the sponsoring entity and the words "Hawaii Convention Center", "Hawai'i Convention Center", or "Convention Center", and may include a company logo, and shall be static and contain no video or moving images; and
 - (E) Any outdoor advertising device for naming the convention center facility, which may include the name and brand of a public or private entity, displayed with the authorization of the Hawaii Tourism Authority, in or on the convention center facility; provided that the any such outdoor advertising device shall not contain moving images;
- (4) Clarifying that the counties shall not be entitled to adopt ordinances restricting any of the foregoing;
 - (5) Inserting an effective date of January 1, 2060, to encourage further discussion; and
 - (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

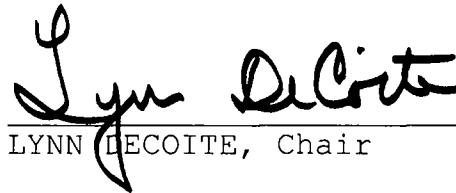
Your Committee appreciates the concerns of those who submitted testimony in opposition to this measure, wanting to ensure that the State remains beautiful and free of billboards that are prevalent on the mainland. In this instance, your Committee believes that this measure, as amended, strikes a balance to protect the State's vistas and views while also supporting economic opportunities for our state-run entertainment



and convention facilities, and further ensuring the advertising is done in a respectful and tasteful way.

As affirmed by the record of votes of the members of your Committee on Energy, Economic Development, and Tourism that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3197, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3197, S.D. 1, and be referred to your Committee on Commerce and Consumer Protection.

Respectfully submitted on
behalf of the members of the
Committee on Energy, Economic
Development, and Tourism,


LYNN DECOITE, Chair



