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BRENNON T. MORIOKA
CHAIR, STADIUM AUTHORITY

CHRIS J. SADAYASU
INTERIM STADIUM MANAGER

An Agency of the State of Hawaii

Statement of
CHRIS J. SADAYASU
Interim Stadium Manager
Stadium Authority
Department of Business, Economic Development, and Tourism
before the

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT AND TOURISM
and
SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS

Wednesday, February 19, 2025
10:02 AM
State Capitol, Conference Room 211

In consideration of
S.B. 583, SD1
RELATING TO NAMING RIGHTS.

Chairs Dela Cruz, Vice Chair Moriwaki, and members of the Committee on Ways and Means.

The Stadium Authority supports Senate Bill 583, SD1 which allows the naming rights of any state-owned facility to be sold or leased to any public or private entity. The ability to sell naming rights to the new aloha stadium will provide the Stadium Authority and/or Aloha Halawa District Partners, the entity the Stadium Authority intends to contract to operate and maintain the new aloha stadium another revenue source to manage and operate the stadium. While it is my understanding the Stadium Authority currently has the authority to sell or lease the naming rights to its stadium pursuant to HRS Section 109-2 Subsection (4), this bill specifically states such ability for all state-owned facilities.

Furthermore, this bill requires any revenues derived from advertising or marketing in or on any state-owned facility to be deposited into the appropriate special fund of the state agency that owns the facility. HRS Section 109-3.5 established the stadium development special fund in which such revenues will be deposited. However, the Stadium Authority pursuant to HRS Section 109-2 Subsection (5), intends to allow Aloha Halawa District Partners the authority to collect all naming rights revenue and to utilize the collected funds to operate and maintain the new stadium pursuant to a stadium development and operations agreement.

Thank you for the opportunity to testify.



TESTIMONY OF
DANIEL NĀHO'OPI'I
Interim President & Ceo
Hawai'i Tourism Authority
before the
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, February 19, 2025
10:02 a.m.
State Capitol, Room 211

In consideration of
SB 583 SD 1
RELATING TO NAMING RIGHTS

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

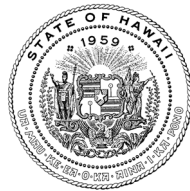
The Hawai'i Tourism Authority (HTA) offers comments SB 583 SD 1, which allows the naming rights of any state-owned facility to be sold or leased to any public or private entity. It also requires any revenues derived from advertising or marketing in or on any state-owned facility to be deposited into the appropriate special fund of the state agency that owns the facility or into the general fund if no appropriate special fund exists. It also sets the effective date as July 1, 2050.

Our testimony will focus on the Hawai'i Convention Center, which HTA manages. Over the quarter century that the Hawai'i Convention Center has been operating, it has hosted high-profile international convenings, national and local conferences and conventions, beloved festivals and events, athletic events attracting participants locally and from abroad, and served as an essential hub for the state's response to emergencies.

This measure opens additional possibilities for funding to address the convention center's repair and maintenance needs into the future.

We also acknowledge the concerns regarding outdoor signage and its effect on the visual environment. We are committed to implementing tasteful and sensible signage and partnering with a business or company that aligns with our brand as a world-class convention center. Additionally, we will establish policies and procedures to ensure this commitment is upheld.

Mahalo for the opportunity to share our comments.



JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY
TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
SENATE BILL NO. 583, S.D. 1

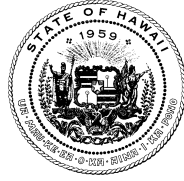
February 19, 2025
10:02 a.m.
Room 211 and Videoconference

RELATING TO NAMING RIGHTS

The Department of Budget and Finance (B&F) offers the following comments on Senate Bill No. 583, S.D. 1, which authorizes the naming rights of any State-owned facility to be sold or leased to any public or private entity.

B&F has serious concerns that payments for naming rights for improvements financed by tax-exempt bonds will be considered private business use under the Internal Revenue Code. Federal tax law imposes restrictions on the private use of the proceeds of tax-exempt bonds and on the capital improvement program (CIP) projects financed with such proceeds. Tax-exempt bonds have been used to finance CIP projects throughout the State. Failure to comply with federal rules on the private use of bond proceeds and bond-financed property could jeopardize the tax-exempt status of the bonds, resulting in significant adverse consequences to bondholders or forcing the State to incur costly measures to remediate the tax law violations.

Thank you for your consideration of our comments.



STATE OF HAWAII
HAWAII STATE PUBLIC LIBRARY SYSTEM
'OIHANA HALE WAIHONA PUKE AUPUNI O KA MOKU'ĀINA O HAWAII
OFFICE OF THE STATE LIBRARIAN
44 MERCHANT STREET
HONOLULU, HAWAII 96813

SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, February 19, 2025
10:02am
Conference Room 211 & Videoconference

By Stacey A. Aldrich
State Librarian

S.B. 583 SD1 RELATING TO NAMING RIGHTS

To: Sen. Donovan M. Dela Cruz, Chair
Sen. Sharon Y. Moriwaki, Vice Chair
Members of the Senate Committee on Ways and Means

The Hawaii State Public Library System (HSPLS) offers **comments** on S.B.583 SD1 which allows the naming rights of any state-owned facility to be sold or leased to any public or private entity; requires any revenues derived from advertising or marketing in or on any state-owned facility to be deposited into the appropriate special fund of the state agency that owns the facility or into the general fund if no appropriate special fund exists.

The naming of public libraries follows current Board of Education [Policy 600-4](#) and [Policy 301-8](#) which states that the name of public libraries shall reflect the geographic area in which the library is located. The HSPLS would like to keep this long-standing tradition in recognition of the public libraries serving as community hubs in our communities.

Thank you for the opportunity to provide testimony on S.B. 583 SD1.

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Executive Director

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Operations Director

Myles Ritchie
Programs Director

Keeping Hawai'i Clean,
Green and Beautiful
Since 1912



February 18, 2025

RE: The Outdoor Circle continued opposition to SB583_SD1 on "Naming Rights"

Dear Senator Dela Cruz and WAM Senate Committee Members,

The Outdoor Circle offered its testimony before the EDT/GVO Committee last week and remains in complete opposition to this bill. The SD1 version does not even address the basic issues brought up in the last committee and was basically only changed to allow for an extension to allow for more discussion from what we can see.

Regardless, this bill seeks to damage and weaken a century of laws protecting Hawaii from over-commercialization in our public spaces and facilities. Offsite advertising, whether in a billboard or logo displayed from a building is still an advertisement designed to promote a business or product. Even worse with this bill is the possibility that these advertisements would be displayed on government properties and facilities. This bill is particularly troubling in that it would permit this intrusion on any state facility.

Hawaii's senators and representatives bravely and wisely enacted our strict laws controlling signage to protect our visual environment a century ago. We are the envy of the world in this regard and must not go back to an era of visual commercialization of our public views.

We have no issues with internal views that we do not see from public streets or that do not intrude in the public view plane, for example, inside of a stadium.

This bill is so wide and so open to abuse that we ask you to completely reject it and kindly refer you to our more written and oral comprehensive testimony earlier last week.

Thank you for considering our further testimony on this SD1.

Winston Welch
Executive Director

