

Honolulu, Hawaii
Fe 4 15, 2008

RE: H.B. No. 2429
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committees on Water, Land, Ocean Resources & Hawaiian Affairs and Higher Education and Tourism & Culture, to which was referred H.B. No. 2429 entitled:

"A BILL FOR AN ACT RELATING TO RECREATION,"

beg leave to report as follows:

The purpose of this bill is to maximize the use and income of Aloha Stadium by creating the University of Hawaii Stadium Corporation (Stadium Corporation) and transferring the duty of management, operation, maintenance, and improvement of Aloha Stadium from the Stadium Authority to the Stadium Corporation.

Several concerned individuals testified in support of this bill. The Department of Accounting and General Services, Hawaii Government Employees Association, and United Public Workers, AFSCME, Local 646, AFL-CIO opposed this bill. The University of Hawaii System, Chairperson of the Stadium Authority, Vice-Chair of the Stadium Authority, a Board Member of the Stadium Authority, and the Aloha Stadium Manager provided comments.

Concerns were raised that the transfer of Aloha Stadium to the Stadium Corporation would prevent other current users of the stadium, such as the swap meet and high school athletes, from using the stadium in the future. However, your Committees note that it is not the intent of this bill to limit the use of the stadium to the University of Hawaii athletics program.



Your Committees have amended this bill by:

- (1) Protecting the collective bargaining rights of civil service employees currently working for the Stadium Authority by providing for the transfer of those employees to the Stadium Corporation and making employees of the Stadium Corporation subject to chapters 76 and 89, Hawaii Revised Statutes;
- (2) Inserting language specifically authorizing the Stadium Corporation to negotiate the renaming of Aloha Stadium in exchange for a fee or other consideration;
- (3) Inserting language specifically authorizing the Stadium Corporation Board of Directors to give bonuses to the Stadium Manager and Deputy Stadium Manager based on the revenues of Aloha Stadium;
- (4) Changing the effective date to July 1, 2020, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

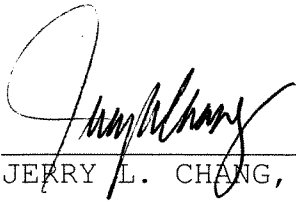
Your Committees find that both the Aloha Stadium and the commercial value of the University of Hawaii name within the sports community are enormously valuable public assets. Aloha Stadium would benefit from a more flexible management structure to implement innovative revenue-generating measures such as selling naming rights, building skyboxes, and developing additional promotional and marketing strategies. Allowing the Stadium Corporation to manage and operate the Aloha Stadium may also allow the University of Hawaii to generate additional revenues for the benefit of the University of Hawaii athletics program.

However, your Committees are aware that this transfer of jurisdiction may not be the only way to remedy the problems Aloha Stadium currently faces. It may be prudent to consider other measures such as increasing the spending cap on the Stadium Authority's current operating expenditures to allow the Stadium Authority to complete minor repairs without annual legislative approval.



As affirmed by the records of votes of the members of your Committees on Water, Land, Ocean Resources & Hawaiian Affairs and Higher Education and Tourism & Culture that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2429, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2429, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on behalf of the members of the Committees on Water, Land, Ocean Resources & Hawaiian Affairs and Higher Education and Tourism & Culture,



JERRY L. CHANG, Chair



KEN ITO, Chair



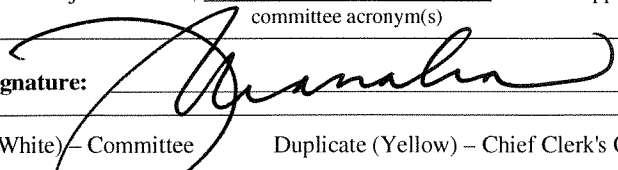
RYAN C. YAMANE, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR 670-08

Record of Votes of the Committee on Tourism & Culture

Bill/Resolution No.: HB 2429	Committee Referral: WLH/HED/TAC, FIN	Date: 01/29/08		
<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)				
TAC Members	Ayes	Ayes (WR)	Nays	Excused
1. YAMANE, Ryan I. (C)	✓			
2. MANAHAN, Joey (VC)	✓			
3. BERG, Lyla B., Ph.D.		✓		
4. BROWER, Tom		✓		
5. CHANG, Jerry L.	✓			
6. HANOHANO, Faye P.	✓			
7. HERKES, Robert N.	✓			
8. TSUJI, Clift	✓			
9. WAKAI, Glenn	✓			
10. YAMASHITA, Kyle T.	✓			
11. CHING, Corinne W.L.				✓
12. MARUMOTO, Barbara C.			✓	
TOTAL (12)	8	2	1	1
	(8)	(2)	(1)	(1)
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: 				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				