A BILL FOR AN ACT

RELATING TO SPORTS FACILITIES.

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

- 1 SECTION 1. The legislature finds that the new aloha
- 2 stadium entertainment district is a critical project for the
- 3 State. The project promises significant benefits to the
- 4 community and serves as an exemplar for large-scale
- 5 public-private partnerships within the State.
- 6 The State is deeply committed to ensuring the success of
- 7 the new district. The State's project team, which comprises the
- 8 department of accounting and general services and the stadium
- 9 authority, has meticulously procured and contracted with a
- 10 master developer. The objective is to complete the new aloha
- 11 stadium and the first phase of the district development by
- 12 summer 2028. This process includes several key milestones to be
- 13 achieved throughout 2025.
- 14 The purpose of this Act is to require the stadium authority
- 15 to meet any condition set by the legislature on an appropriation
- 16 to the stadium development special fund, and to appropriate
- 17 moneys from the stadium development special fund to the stadium



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2	of specific project readiness conditions. The condition also		
3	provides safeguards to ensure that unexpended and unencumbered		
4	funds in the stadium development special fund are returned to		
5	the general fund if the project is terminated.		
6	SECTION 2. Section 109-3.5, Hawaii Revised Statutes, is		
7	amended to read as follows:		
8	"[+]\$109-3.5[+] Stadium development special fund;		
9	established. (a) There is established in the state treasury		
10	the stadium development special fund, into which funds collected		
11	by the stadium authority shall be deposited, including:		
12	(1) All revenues from the stadium development district,		
13	including but not limited to agreements or actions		
14	generating revenue related to stadium operations,		
15	lease or rental of facilities or land, concessions,		
16	food and beverage, parking, sponsorship and		
17	advertising, utilities and infrastructure, and		
18	development;		
19	(2) All gifts or grants awarded in any form from any		
20	public agency or any other source for purposes of the		
21	stadium development district[+]; provided that any		

authority for fiscal year 2025-2026, subject to the completion

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1		gift or grant from a private source shall be used only	
2		for infrastructure related to the stadium and costs	
3		associated with the development of the stadium;	
4	(3)	All proceeds from revenue bonds issued for the purpose	
5		of the stadium development district; and	
6	(4)	Appropriations made by the legislature to the fund.	
7	(b)	[Moneys] Except as provided in subsection (a)(2),	
8	moneys in	the stadium development special fund shall be used by	
9	the stadi	um authority for the payment of expenses arising from	
10	any and all use, operation, repair, maintenance, alteration,		
11	improvement, development, or any unforeseen or unplanned repair		
12	of the stadium development district, including without		
13	limitation:		
14	(1)	The development, operation, and maintenance of a new	
15		stadium;	
16	(2)	Food and beverage service and parking service provided	
17		at the stadium facility; the sale of souvenirs, logo	
18		items, or other items; any future major repair,	
19		maintenance, and improvement of the stadium facility	
20		as a commercial enterprise or as a world-class	
21		facility for athletic events, entertainment, or public	

1		events; and marketing the facility pursuant to section		
2		109-2(4) and (8); and		
3	(3)	Contractual payments to developers or contractors		
4		engaged by the stadium authority for the purpose of		
5		redeveloping the site and related on- and off-site		
6		infrastructure that benefits the stadium district and		
7		its development guidance policies.		
8	<u>(c)</u>	Any condition imposed by the legislature on a		
9	legislati	ve appropriation to the stadium development special		
10	fund shall be met before expenditure of the appropriated funds;			
11	provided that the legislature intends for the condition to be			
12	met befor	e expenditure. Any unexpended and unencumbered funds		
13	in the st	adium development special fund shall immediately lapse		
14	to the ge	neral fund if the project is terminated."		
15	SECT	ION 3. There is appropriated out of the stadium		
16	development special fund the sum of \$49,500,000 or so much			
17	thereof a	s may be necessary for fiscal year 2025-2026 and		
18	\$	or so much thereof as may be necessary for fiscal		
19	year 2026	-2027 for the purposes of the stadium development		
20	special f	und described in section 109-3.5, Hawaii Revised		
21	Statutes;	provided that:		

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1	(_ /	The development timelines set by the stadium authorit
2		have been met for the new aloha stadium entertainment
3		district; and
4	(2)	The sum appropriated and authorized for expenditure
5		for fiscal year 2026-2027 pursuant to this section
6		shall be derived solely from moneys received by the
7		State as a gift or grant from private sources.
8	The	sums appropriated shall be expended by the stadium
9	authority	of the department of business, economic development,
10	and touri	sm for the purposes of this Act; provided that if the
11	new aloha	stadium entertainment district project is terminated
12	before co	mpletion, then all moneys remaining in the stadium
13	developme	nt special fund that are not expended or encumbered
14	shall lap	se to the general fund.
15	SECT	ION 4. This Act does not affect rights and duties that
16	matured,	penalties that were incurred, and proceedings that were
17	begun bef	ore its effective date.
18	SECT	ION 5. Statutory material to be repealed is bracketed

and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2050.

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Report Title:

Department of Accounting and General Services; Stadium Authority; Stadium Development Special Fund; Appropriations

Description:

Requires conditions placed on appropriations to the Stadium Development Special Fund to be met before expenditure. Restricts private donations to the Stadium Authority to use on stadium infrastructure and stadium development costs. Appropriates funds out of the Stadium Development Special Fund, subject to the completion of specific project readiness conditions. Requires certain moneys expended to be from private sources. Effective 7/1/2050. (SD1)

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